

Entered January 16, 1956
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 983
Order No. R-740

THE APPLICATION OF GULF OIL CORPORATION
FOR AN ORDER GRANTING APPROVAL OF AN EX-
CEPTION PURSUANT TO RULE 5 (a) OF THE
SPECIAL RULES AND REGULATIONS OF THE
JALMAT GAS POOL AS SET FORTH IN ORDER NO.
R-520 IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 280 CONTIGUOUS ACRES
CONSISTING OF TOWNSHIP 25 SOUTH, RANGE 37
EAST, SECTION 16: NW/4, S/2 NE/4 AND
NW/4 NE/4.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 14, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 12th day of JANUARY, 1956, the Commission, a quorum being present having considered the records and testimony adduced and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations of the Jalmat Gas Pool, as set forth in Order R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, Gulf Oil Corporation, is the owner of an oil and gas lease in Lea County, New Mexico, which consists in part of the following described acreage, to-wit:

Township 25 South, Range 37 East, NMPM
Section 16: NW/4, S/2 NE/4, NW/4 NE/4

containing 280 acres, more or less.

(4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lease known as the Arnott-Ramsay "E" Well No. 5 located 560' from the West line and 1980' from the North line of Section 16, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was recompleted and in production after the effective date of Order No. R-520 and is located within the horizontal limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 280 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause, but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Gulf Oil Corporation for approval of a non-standard proration unit in the Jalmat Gas Pool consisting of the following described acreage:

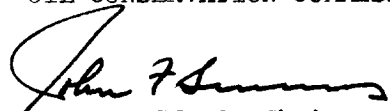
Township 25 South, Range 37 East, NMPM, Lea County, New Mexico
Section 16: NW/4, S/2 NE/4, NW/4 NE/4

be and the same is hereby approved and that a proration unit consisting of the aforesaid acreage be and the same is hereby created.


(2) That applicant's well, Arnott-Ramsay "E" Well No. 5 located in the SW/4 of the NW/4 Section 16, Township 25 South, Range 37 East, in the Jalmat Gas Pool, be and the same is hereby granted an allowable in the proportion that the above-described 280 acre unit bears to the standard proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

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