

Filed March 21, 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. 988
Order No. R-766

THE APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 5 (a) OF THE SPECIAL RULES
AND REGULATIONS FOR THE JALMAT GAS
POOL AS SET FORTH IN ORDER NO. R-520
IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 320 CONTIGUOUS
ACRES IN LEA COUNTY, NEW MEXICO,
CONSISTING OF S/2 SECTION 22, TOWN-
SHIP 25 SOUTH, RANGE 37 EAST, NMPM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:30 o'clock a.m.
on January 4, 1956, at Hobbs, New Mexico, before Warren W. Mankin,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 14th day of March 1956, the Oil Con-
servation Commission of New Mexico, a quorum being present, having
considered the application, the evidence presented, and the re-
commendations of the Examiner, Warren W. Mankin, 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 for the Jalmat Gas Pool as set forth
in Order No. R-520, the Commission has power and authority to per-
mit the formation of a gas proration unit consisting of other than
a legal section after notice and hearing by the Commission.
- (3) That applicant, El Paso Natural Gas Company is the
owner of gas operating rights under a lease in Lea County, New
Mexico, the land consisting of other than a legal section, and
described as follows, to-wit:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2 Section 22

containing 320 acres, more or less.

(4) That applicant, El Paso Natural Gas Company has a producing well on the aforesaid lease known as Carlson-Federal No. 1 Well, located 1980' from the South line and 660' from the West line of Section 22, Township 25 South, Range 37 East, NMPM.

(5) That the aforesaid well was completed and in production subsequent to 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 320 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 El Paso Natural Gas Company for approval of a non-standard proration unit consisting of the following described acreage in the Jalmat Gas Pool, Lea County, New Mexico.

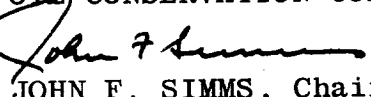
TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2 Section 22

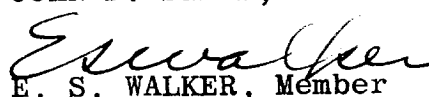
be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Carlson-Federal No. 1 Well, located in the NW/4 SW/4 of said Section 22, shall be granted an allowable in accordance with the Jalmat Gas Pool Rules, in the proportion that the above-described 320 acre unit bears to the standard or orthodox 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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