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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. 1151 Order No. R-906

THE APPLICATION OF THE TEXAS COMPANY FOR AN ORDER ESTABLISHING A 114.41-ACRE NON-STANDARD GAS PRORATION UNIT IN THE JALMAT GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 26, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this day of October, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Daniel S. Nutter, 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 applicant is the operator of the C. C. Fristoe "B" (NCT-4) Well No. 2 located 660 feet from the South line and 660 feet from the West line of Section 31, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That Lots 3 and 4 (W/2 SW/4) of said Section 31, containing 76.25 acres, are presently dedicated to applicant's C. C. Fristoe "B" (NCT-4) Well No. 2.

(4) That applicant, The Texas Company, and El Paso Natural Gas Company have agreed to and are now in the process of communitizing the following federal acreage in order to form a 114.41-acre non-standard gas proration unit, which they propose to dedicate to applicant's C. C. Fristoe "B" (NCT-4) Well No. 2, to-wit:

> TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 31: Lots 3 & 4 (W/2 SW/4)

> TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 6: Lot 4 (NW/4 NW/4)

all in Lea County, New Mexico.

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(5) That the said C. C. Fristoe "B" (NCT-4) Well No. 2, is capable of efficiently draining the proposed unit and that the approval of said unit would not cause but would prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of The Texas Company for the establishment of a 114.41-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage be and the same is hereby approved:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 31: Lots 3 & 4, (W/2 SW/4)

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 6: Lot 4 (NW/4 NW/4)

all in Lea County, New Mexico.

(2) That the applicant's C. C. Fristoe "B" (NCT-4) Well No. 2, located in Lot 4 of said Section 31, be granted an allowable in the proportion that the above described 114.41-acre unit bears to the standard proration unit for the Jalmat Gas Pool in accordance with Rule 8 of the Special Rules and Regulations for said pool, upon receipt by the Commission of an Affidavit of Communitization or an executed counterpart of the Communitization Agreement.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

Accalle VALKER, Member

Later . A. L. PORTER, Jr. / Member & Secretary

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