

*Entered March 11, 1970*  
*A.S.P.*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 4318  
Order No. R-3930

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR A NON-STANDARD GAS  
PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 4, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of March, 1970, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, is the owner and operator of two 160-acre non-standard gas proration units comprising the NW/4 and the NE/4 of Section 7, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the NW/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and that the NE/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.

(4) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre

-2-

CASE No. 4318

Order No. R-3930

non-standard gas proration unit comprising the N/2 of said Section 7, said unit to be simultaneously dedicated to its aforesaid Myers "B" Federal R/A A Wells Nos. 1 and 10.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the Myers "B" Federal R/A A Wells Nos. 1 and 10.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective April 1, 1970, a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 7, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 320 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of the consolidated unit shall be the combined status, as of April 1, 1970, of the two units being consolidated.

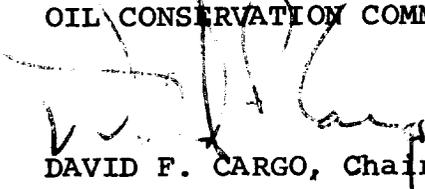
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

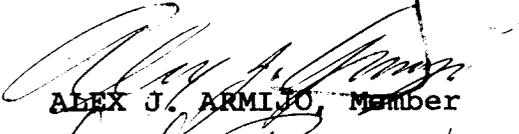
-3-

CASE No. 4318  
Order No. R-3930

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
DAVID F. CARGO, Chairman

  
ALEX J. ARMIJO, Member

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

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