BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Enlered C.P.

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

> CASE No. 1795 Order No. R-1527

APPLICATION OF CITIES SERVICE OIL COMPANY AND LATE OIL COMPANY FOR APPROVAL OF A 320-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 October 28, 1959, at Santa Fe, 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 <u>17th</u> day of November, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 as a result of communitization of acreage owned by Late Oil Company, Cities Service Oil Company, and Gulf Oil Corporation, the applicant, Late Oil Company, is the operator of the S/2 of Section 17, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicants propose the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the S/2 of said Section 17, to be dedicated to the Thomas Well No. 1, located 660 feet from the South line and 660 feet from the West line of said Section 17.

(4) That the S/2 of said Section 17 can reasonably be presumed to be productive of gas from the Jalmat Gas Pool. -2-Case No. 1795 Order No. R-1527

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the S/2 of Section 17, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the Thomas Well No. 1, located 660 feet from the South line and 660 feet from the West line of said Section 17.

(2) That the said Thomas Well No. 1 be and the same is hereby granted an acreage factor for allowable purposes in the proportion that the above-described acreage bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, effective on December 1, 1959, provided that said well has been brought into balance by that date. If said well is not then in balance, the increased acreage factor shall become effective upon the first day of the month following the month in which the subject well has been brought into balance.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION JOHN BURROUGHS, Chairman Manna MURRAY E. MORGAN, Member

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

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