Entered Dicember 31,1121 Of.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. 1815 Order No. R-1543

APPLICATION OF LEONARD OIL COMPANY FOR APPROVAL OF AN UNORTHODOX GAS WELL LOCATION 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 November 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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>10th</u> day of December, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Leonard Oil Company, is the owner and operator of the E/2 NW/4 and W/2 NE/4 of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant's B. T. Lanehart Well No. 4, located in the NW/4 NE/4 of said Section 21, is presently serving as the unit well for the above-described non-standard gas proration unit in the Jalmat Gas Pool.

(4) That the applicant seeks approval of an unorthodox gas well location in the Jalmat Gas Pool for its B. T. Lanehart Well No. 1-A, located 2310 feet from the North line and 2310 feet from the East line of said Section 21, which well the applicant proposes to utilize as the unit well for the above-described non-standard gas proration unit in the Jalmat Gas Pool. -2-Case No. 1815 Order No. R-1543

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the B. T. Lanehart Well No. 1-A, located 2310 feet from the North line and 2310 feet from the East line of Section 21, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, be and the same is hereby approved.

(2) That at such time as the said B. T. Lanehart Well No. 1-A is recompleted in the 3100-foot zone and goes on the line as a Jalmat gas well, it may serve as the unit well for a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the E/2 NW/4 and W/2 NE/4 of said Section 21.

(3) That when the said B. T. Lanehart Well No. 1-A goes on the line as a Jalmat gas well, the B. T. Lanehart Well No. 4, located in the NW/4 NE/4 of said Section 21 must be shut-in until such time as it is recompleted in the 2900-foot zone as a Jalmat oil well.

(4) That the said B. T. Lanehart Well No. 1-A shall be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard gas proration unit bears to a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

mana

MURRAY E. MORGAN, Member

1.0.1-A. L. PORTER, Jr.', Member & Secretary

SEAL

vem/