BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 1946 Order No. R-1661

APPLICATION OF J. R. CONE FOR AN ORDER PERMITTING TWO OVERPRODUCED GAS WELLS IN THE JALMAT GAS POOL, LEA COUNTY, NEW MEXICO TO COMPEN-SATE FOR SUCH OVERPRODUCTION AT A LESSER RATE THAN COMPLETE SHUT-IN IN EXCEPTION TO ORDER NOS. R-520 AND R-967.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 27, 1960, 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>9th</u> day of May, 1960, 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 following-described wells in the Jalmat Gas Pool are more than six times overproduced and are therefore subject to complete shut-in under the provision of Order Nos. R-520 and R-967;

> Mobil-Myers Well No. 4, Unit I, Section 22 Pan American-Myers Well No. 1, Unit H, Section 22

both in Township 24 South, Range 36 East, Lea County, New Mexico.

(3) That due to liquid problems, the applicant seeks an order permitting the overproduction of the subject wells to be made up at a lesser rate than complete shut-in in order to preclude permanent injury to the wells.

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(4) That the applicant should be permitted to produce each of the subject wells at a monthly rate not to exceed 50% of the well's current monthly allowable or at a monthly rate not to exceed 50% of the well's average monthly allowable for the preceding six-month proration period, whichever is greater.

(5) That the above prescribed curtailed rate of production to compensate for overproduction should be adequate to prevent permanent injury to either of the subject wells or to the producing formation.

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to compensate for the overproduction of the following-described wells in the Jalmat Gas Pool by producing each well at a monthly rate not to exceed 50% of the well's current monthly allowable or a monthly rate not to exceed 50% of the well's average monthly allowable for the preceding six-month proration period, whichever is greater:

> Mobil-Myers Well No. 4, Unit I, Section 22 Pan American-Myers Well No. 1, Unit H, Section 22

both in Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

Mann MORGAN, MURRAY E. Member

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

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