Ontered May 10, 1971

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. 4523 Order No. R-4141

APPLICATION OF TEXAS PACIFIC OIL COMPANY, INC., FOR THE REDEDICATION OF ACREAGE, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 28, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>10th</u> day of May, 1971, 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, Texas Pacific Oil Company, Inc., is the operator of the Legal Wells Nos. 1 and 2, located, respectively, in Units P and I of Section 31, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SE/4 of said Section 31 is presently dedicated to said Well No. 2, a marginal well.

(4) That said Well No. 1 has been recently recompleted as a Jalmat gas producer and is presently shut-in.

(5) That the applicant seeks authority to dedicate the abovedescribed 160-acre non-standard proration unit simultaneously to its Legal Wells Nos. 1 and 2 and to produce the allowable assigned to the unit from either of said wells in any proportion. -2-CASE NO. 4523 Order No. R-4141

(6) That the above-described 160-acre non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(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 Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective as of May 1, 1971, the applicant, Texas Pacific Oil Company, Inc., is hereby authorized to dedicate the non-standard gas proration in the Jalmat Gas Pool comprising the SE/4 of Section 31, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, simultaneously to its Legal Wells Nos. 1 and 2, located, respectively, in Units P and I of said Section 31.

(2) That the operator of the above-described gas proration unit may produce the allowable assigned to the unit from the subject wells in any proportion.

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

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCÉ KING, Chairman

U ALEX J. ARMIJO, Member

L. PORTER, Jr., Member & Secretary

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