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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. 4783 Order No. R-4361

APPLICATION OF TEXAS PACIFIC OIL COMPANY, INC. FOR THREE NON-STANDARD PRORATION UNITS AND 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 July 26, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>7th</u> day of August, 1972, 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., seeks the rededication of certain acreage and the establishment of the following non-standard gas proration units in Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico:

- A 480-acre unit comprising the NE/4, NW/4, and SW/4 of Section 11, to be dedicated to its State "A" A/1 Wells Nos. 16, 29, and 34;
- 2. A 240-acre unit comprising the NW/4 of Section 14 and the N/2 NE/4 of Section 15, to be dedicated to its State "A" A/1 Well No. 28;
- A 320-acre unit comprising the N/2 of Section 23 to be dedicated to its State "A" A/1 Wells Nos. 26 and 27.

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(3) That each of the proposed non-standard gas proration units is productive of gas.

(4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well or wells to which it is to be dedicated.

(5) That approval of the proposed non-standard gas proration units will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby created:

- A 480-acre unit comprising the NE/4, NW/4, and SW/4 of Section 11, to be dedicated to its State "A" A/1 Wells Nos. 16, 29, and 34 located, respectively, in Units A, C, and K of said Section 11;
- 2. A 240-acre unit comprising the NW/4 of Section 14 and the N/2 NE/4 of Section 15, to be dedicated to its State "A" A/1 Well No. 28 located in Unit F of said Section 14;
- A 320-acre unit comprising the N/2 of Section 23 to be dedicated to its State "A" A/1 Wells Nos. 26 and 27 located, respectively, in Units G and F of said Section 23.

(2) That the acreage factor for allowable purposes assigned to each of the above-described non-standard proration units shall bear the same ratio to the acreage factor for a standard gas proration unit as the acreage in said unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool.

(3) That the cumulative overproduction/underproduction statuses of the above-described 480-acre and 320-acre units shall be the combined cumulative overproduction/underproduction statuses as of August 1, 1972, of the units combined to form the 480-acre and 320-acre units.

(4) That the cancellation status of the above-described 480-acre and 320-acre units shall be the combined cancellation statuses as of August 1, 1972, of the units combined to form the 480-acre and 320-acre units.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 1. . · ; Nord 1 BRUCE KING, Chairman ALEX J. ARMIJO, Member tir of A. L. PORTER, Jr., Member & Secretary

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