

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. 1653
Order No. R-1405

APPLICATION OF CONTINENTAL OIL
COMPANY FOR THE ESTABLISHMENT
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 May 6, 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 25th day of May, 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, Continental Oil Company, is co-owner and operator of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes that the above-described acreage be established as a 320-acre non-standard gas proration unit in the Jalmat Gas Pool with the unit well being applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.
- (4) That the NW/4 NW/4 of said Section 27 is productive of oil from the Jalmat Gas Pool and cannot reasonably be presumed to be productive of gas from said Pool.
- (5) That approval of a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 will neither cause waste nor impair correlative rights.

-2-

Case No. 1653
Order No. R-1405

IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby denied.

(2) That a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and the S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 be and the same is hereby established. Said unit is to be dedicated to applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.

(3) That the said Lynn A-28 Well No. 5 be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

(4) That the effective date of this order shall be June 1, 1959.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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



vem/