

**PAGE 4904: Application of TEXAS  
ELECTRIC OIL CO. FOR 2 NON-STANDARD  
OIL PROMOTION UNITS, LEB COUNTY.**

4904

Application  
Transcripts.

Small Exhibits

ETC.

dearnley, meier & mc cormick

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
Wednesday, February 14, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific Oil  
Company, Inc. for two non-standard  
gas proration units, Lea County,  
New Mexico.

Case 4904

BEFORE: Daniel S. Nutter  
Examiner

TRANSCRIPT OF HEARING

dearnley, meier &amp; mc cormick

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1 MR. NUTTER: Call Case No. 4904.

2 MR. CARR: Case 4904, Application of Texas Pacific  
3 Oil Company, Inc., for two nonstandard gas proration units,  
4 Lea County, New Mexico.

5 MR. RUSSELL: John F. Russell, Roswell, New Mexico,  
6 appearing on behalf of the applicant and I have one witness.

7 DENNIS CHASTEN

8 a witness, having been first duly sworn according to law,  
9 upon his oath, testified as follows:

10 DIRECT EXAMINATION

11 BY MR. RUSSELL:

12 Q Will you please state your name, address, name of your  
13 employer and the capacity in which you are employed?

14 A My name is Dennis Chasten, I am employed by Texas  
15 Pacific Oil Company in Midland, Texas, as an Engineer.

16 Q Are you familiar with the application of Texas Pacific  
17 Oil Company, Inc., in Case No. 4904?

18 A Yes, sir.

19 Q And what do you seek by this application?

20 A Texas Pacific Oil Inc. seeks approval of two nonstandard  
21 gas proration units in the Jalmat Gas Pool, Lea County,  
22 comprising the first unit of 120 acres being the west  
23 half of the southwest quarter, northeast quarter of the  
24 southwest quarter, Section 4, Township 23 South, Range  
25 36 East, to be dedicated to Well No. 18, State "A"

dearnley, meier &amp; mc cormick

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1 Well No. 12. The well is located in Unit N of Section 4.

2 The second unit, Unit N, Section 4, is a 320-acre  
3 unit being the southeast quarter of the southwest quarter  
4 of Section 4 and the northwest quarter south half of the  
5 northeast quarter, the northeast quarter of the northeast  
6 quarter, of Section 9, Township 23 South, Range 36 East,  
7 to be dedicated simultaneously to Well No. 111 State "A"  
8 Act I, located in Unit N in Section 4, Well No. 41 in  
9 Unit A of Section 9, and Well 100 in Unit H of Section 9;  
10 the allowable to be produced from any well or any  
11 combination of wells.

12 Q Now, have you previously qualified to give expert  
13 testimony before this Commission?

14 A Yes, sir.

15 Q And in connection with Case 4904, have you prepared some  
16 exhibits?

17 A Yes, there are three exhibits. The first exhibit is a  
18 location and ownership map showing the present acreage  
19 allocation with the two subject units, or the area of  
20 interest, outlined in red; the other properties owned by  
21 Texas Pacific are shown in yellow.

22 Q Now, this is all State of New Mexico acreage, is it not?

23 A Correct.

24 Q All right. Referring you to Exhibit 2, what does that  
25 reflect?

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- 1 A This is the same map showing the proposed acreage  
2 allocation with the same color coding as in Exhibit 1.
- 3 Q Now, insofar as the acreage is concerned, this same  
4 total acreage shown on Exhibit 1 is also included in  
5 Exhibit 2?
- 6 A Correct.
- 7 Q You have merely taken the acreage away from the prior  
8 160-acre unit and added it to the other unit, is that  
9 correct?
- 10 A Correct.
- 11 Q All right. Now, referring you to what has been marked  
12 as Exhibit 3, what does that show?
- 13 A This is a pertinent data sheet showing the four subject  
14 wells, their completion dates, completion intervals,  
15 accumulative production, anticipated maximum allowable,  
16 and anticipated monthly capacity.
- 17 Q Now, if this application is granted, your 120-acre  
18 nonstandard unit which is assigned to Well No. 18 will,  
19 in your opinion, it be able to make a top allowable?
- 20 A No.
- 21 Q As to the other nonstandard unit which has been assigned  
22 to your wells 100 and 111 and No. 41, with the  
23 assignment of those three wells to that unit, in your  
24 opinion, will it make its top allowable?
- 25 A No.

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1 Q In your opinion, this realignment of acreage will allow  
2 you to obtain more of the gas under this acreage than  
3 otherwise. is that correct?

4 A Correct. It will allow us to more uniformly deplete  
5 the rese air, recover gas that would otherwise be  
6 uneconomical, thus preventing premature abandonment of  
7 the wells and assuring us of maximum recovery and the  
8 prevention of waste.

9 Q And, in your opinion, will protect correlative rights  
10 and prevent waste?

11 A Yes.

12 Q Were Exhibits 1 through 3 prepared by you or under your  
13 supervision and direction?

14 A Under my supervision and direction.

15 MR. RUSSELL: Mr. Examiner, at this time I would  
16 like to introduce into evidence Applicant's Exhibits 1, 2,  
17 and 3.

18 MR. NUTTER: Texas Pacific's Exhibit No. 1 through  
19 3 will be admitted in evidence.

20 MR. RUSSELL: I have no further questions of this  
21 witness.

22 CROSS EXAMINATION

23 BY MR. NUTTER:

24 Q Could you give me the order number that authorizes the  
25 two existing proration units, please?

dearnley, meier &amp; mc cormick

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1 A I don't have this in hand at this time. We can furnish  
2 that at a later date

3 Q I'd appreciate that. Now, the status of the existing  
4 units would be carried into the units as amended, is  
5 this correct?

6 A Yes, as amended.

7 Q So you do have a 160-acre unit in Section 4, it would  
8 now be a 140-acre unit and the new 120-acre unit would  
9 have the proration unit of the 160 acres?

10 A By proration status, could you?

11 Q Whatever its status is as far as balancing and production  
12 is concerned?

13 A Yes.

14 Q And the new 320-acre unit would have the status of the  
15 existing 80-acre unit?

16 A Correct.

17 MR. NUTTER: Are there any further questions of the  
18 witness?

19 (No response.)

20 MR. NUTTER: He may be excused. Does anyone have  
21 anything they wish to offer in Case 4904?

22 (No response.)

23 MR. NUTTER: We will take the case under advisement.

24 \* \* \* \* \*

25



dearnley, meier & mc cormick

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1 STATE OF NEW MEXICO )  
2 ) ss.  
3 COUNTY OF BERNALILLO )  
4

5 I, JOHN DE LA ROSA, a Court Reporter, in and for the  
6 County of Bernalillo, State of New Mexico, do hereby certify  
7 that the foregoing and attached Transcript of Hearing before  
8 the New Mexico Oil Conservation Commission was reported by me;  
9 and that the same is a true and correct record of the said  
10 proceedings to the best of my knowledge, skill and ability.

11 I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 4904 heard by me on 2/14, 1973.  
12 COURT REPORTER  
13 \* \* \* \* \*

14 *[Signature]*, Examiner  
15 New Mexico Oil Conservation Commission

I N D E X

14	WITNESS	PAGE
15	DENNIS CHASTEN	
16	Direct Examination by Mr. Russell	3
17	Cross Examination by Mr. Nutter	6

E X H I B I T S

21		<u>OFFERED</u>	<u>ADMITTED</u>
22	Exhibit No. 1	6	6
23	Exhibit No. 2	6	6
24	Exhibit No. 3	6	6



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. 4904  
Order No. R-4484

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC. FOR TWO NON-STANDARD  
GAS PRORATION UNITS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 14, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of February, 1973, 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 establishment of the following two non-standard gas proration units in the Jalmat Gas Pool, in Township 23 South, Range 36 East, Lea County, New Mexico:

(a) A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" A/C-1 Well No. 18 located in Unit M of Section 4;

(b) A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State "A" A/C-1 Well No. 111 located in Unit N of Section 4, State "A" A/C-1 Well No. 41 located in Unit A of Section 9, and State "A" A/C-1 Well No. 100 located in Unit H of Section 9.

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

-2-

Case No. 4904  
Order No. R-4484

(4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well 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 two non-standard gas proration units in the Jalmat Gas Pool in Township 23 South, Range 36 East, Lea County, New Mexico, are hereby created:

(a) A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" A/C-1 Well No. 18 located in Unit M of said Section 4;

(b) A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State "A" A/C-1 Well No. 111 located in Unit N of Section 4, State "A" A/C-1 Well No. 41 located in Unit A of Section 9, and State "A" A/C-1 Well No. 100 located in Unit H of Section 9.

(2) That the effective date of this order shall be March 1, 1973, and that the balancing status of each of the proration units herein authorized shall be the status as of that date of the unit being superseded.

(3) That that portion of Commission Order No. R-3188 relating to a 160-acre non-standard unit in Section 4, Township 23 South, Range 36 East, NMPM, and that portion of Commission Order R-3209 relating to a 280-acre non-standard gas proration unit in Section 9, Township 23 South, Range 36 East, NMPM, are hereby superseded.

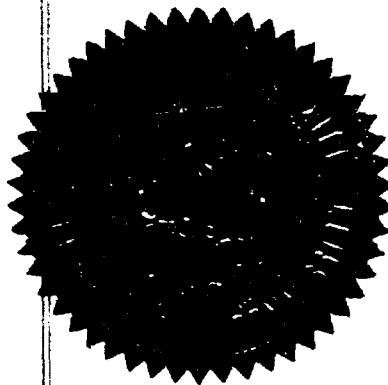
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-

Case No. 4904

Order No. R-4484

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armijo*  
ALEX J. ARMIJO, Member

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

S E A L

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 14, 1973

9 A. M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for March, 1973 from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico for March, 1973.

CASE 4903: Application of Newmont Oil Company for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing oil well at an unorthodox location 990 feet from the South line and 1310 feet from the East line of Section 3, Township 18 South, Range 29 East, Loco Hills Pool, Eddy County, New Mexico.

CASE 4904: Application of Texas Pacific Oil Company, Inc. for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the two following non-standard gas proration units in Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico:

A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" Well No. 18 located in Unit M of said Section 4;

A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State "A" Well No. 111 located in Unit N of Section 4, Well No. 41 located in Unit A of Section 9, and Well No. 100 located in Unit H of Section 9.

CASE 4905: Application of John H. Hendrix for two dual completions, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Cossatot "B" Wells Nos. 2 and 3 located in Units M and N, respectively, of Section 12, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Drinkard and Wantz-Granite Wash Pools through parallel strings of tubing.

CASE 4647 (Reopened):

In the matter of Case 4647 being reopened pursuant to the provisions of Order No. R-4246, which order established special rules and regulations for the Venado-Mesaverde Oil Pool, Sandoval County, New Mexico,

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. 3541  
Order No. R-3209

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY FOR SEVERAL NON-STANDARD  
GAS PRORATION UNITS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 22, 1967,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of March, 1967, 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, 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 280-acre non-standard gas proration unit comprising  
the NW/4, E/2 NE/4, and SW/4 NE/4 of Section 9, to be  
simultaneously dedicated to its State "A" Acct. #1 Well  
No. 41 located 660 feet from the North line and 660  
feet from the East line of said Section 9, and to its  
State "A" Acct. #1 Well No. 100 located 1980 feet from  
the North line and 990 feet from the East line of said  
Section 9;

A 200-acre non-standard gas proration unit comprising the NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 9 and the SW/4 SW/4 of Section 10, to be dedicated to its State "A" Acct. #1 Well No. 38 located 990 feet from the South line and 990 feet from the West line of said Section 10;

A 240-acre non-standard gas proration unit comprising the NW/4 and N/2 SW/4 of Section 10, to be dedicated to its State "A" Acct. #1 Well No. 37 located 1650 feet from the North line and 1650 feet from the West line of said Section 10;

A 200-acre non-standard gas proration unit comprising the SE/4 SW/4 of Section 10 and the NW/4 of Section 15, to be dedicated to its State "A" Acct. #1 Well No. 33 located 1650 feet from the North line and 1650 feet from the West line of said Section 15; and

A 400-acre non-standard gas proration unit comprising the N/2 SE/4 and SE/4 SE/4 of Section 21 and the SW/4, S/2 NW/4, and NE/4 NW/4 of Section 22, to be simultaneously dedicated to its State "A" Acct. #1 Well No. 94 located 660 feet from the North line and 1980 feet from the West line of said Section 22, and to its State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22.

(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.

(6) That in order to protect the correlative rights of the offset operator, applicant's State "A" Acct. #1 Well No. 94 located 360 feet from the North line and 1980 feet from the West line of the aforementioned Section 22, should be allowed to



produce no more than 50% of the allowable assigned to the non-standard unit simultaneously dedicated to said Well No. 94 and to applicant's State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22.

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:

- Super side*
- (a) A 280-acre non-standard gas proration unit comprising the NW/4, E/2 NE/4, and SW/4 NE/4 of Section 9, to be simultaneously dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 41 located 660 feet from the North line and 660 feet from the East line of said Section 9, and to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 100 located 1980 feet from the North line and 990 feet from the East line of said Section 9;

PROVIDED, HOWEVER, that the operator may produce the allowable assigned to the unit from said Wells Nos. 41 and 100 in any proportion.

- (b) A 200-acre non-standard gas proration unit comprising the NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 9 and the SW/4 SW/4 of Section 10, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 38 located 990 feet from the South line and 990 feet from the West line of said Section 10.
- (c) A 240-acre non-standard gas proration unit comprising the NW/4 and N/2 SW/4 of Section 10, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 37, located 1650 feet from the North line and 1650 feet from the West line of said Section 10.
- (d) A 200-acre non-standard gas proration unit comprising the SE/4 SW/4 of Section 10 and the NW/4 of Section 15, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 33 located 1650 feet from the North line and 1650 feet from the West line of said Section 15.
- (e) A 400-acre non-standard gas proration unit comprising the N/2 SE/4 and SE/4 SE/4 of Section 21 and the SW/4,

S/2 NW/4, and NE/4 NW/4 of Section 22, to be simultaneously dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 94 located 660 feet from the North line and 1980 feet from the West line of said Section 22, and to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22;

PROVIDED, HOWEVER, that said Well No. 94 shall produce no more than 50% of the allowable assigned to said non-standard gas proration unit.

(2) That the acreage factor for allowable purposes assigned to each of the above-described non-standard gas 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 provisions of this order shall become effective April 1, 1967.

(4) 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

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

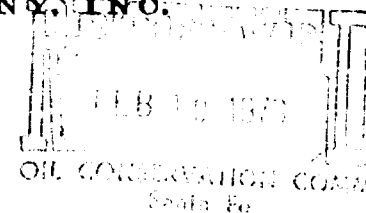
S E A L

esr/

TEXAS PACIFIC OIL COMPANY, INC.

P.O. Box 4067  
Midland, Texas 79701

February 15, 1973



New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Daniel S. Nutter

CASE NO. 4904  
NON-STANDARD PRORATION UNITS  
JALMAT GAS POOL  
LEA COUNTY, NEW MEXICO

Gentlemen:

As per your request during the hearing for Case No. 4904 on February 14, 1973, listed below are the Commission Order Numbers establishing the two current gas proration units which Texas Pacific Oil Company, Inc. seeks to realign.

	<u>Acreage</u>	<u>OCC Order No.</u>	<u>Date</u>	<u>Description</u>
1.	160	3188	2/1/67	SW/4 of Sec. 4, T-23-S, R-36-E
2.	280	3209	3/30/67	NW/4, SW/4-NE/4, E/2-NE/4, Sec. 9, T-23-S, R-36-E

If we can be of any further assistance, please contact us.

Yours very truly,

TEXAS PACIFIC OIL COMPANY, INC.

T.J. Waller  
District Engineer

cc: R.B. Freels

Texas Pacific Oil Co., Inc.  
Hobbs Area Office

DLC:kg

TEXAS PACIFIC OIL COMPANY, INC.  
JALMAT GAS POOL  
LEA COUNTY, NEW MEXICO  
PERTINENT DATA SHEET  
CASE NO. \_\_\_\_\_

WELL NAME AND NUMBER	GAS COMPLETION DATE	COMPLETION INTERVAL	CUMULATIVE PRODUCTION 11-1-72 (MCF)	ANTICIPATED MONTHLY ALLOW. (MCF)	ANTICIPATED MONTHLY CAPACITY (MCF)
State "A" A/c-1 No. 18 660' FS & WL, Sec. 4 T-23-S, R-36-E	12-8-46	Open Hole 3050-3443	3,986,601	24,750	9,000 @ 100 psi 9,000 Total
State "A" A/c-1 No. 41 660' FN & EL, Sec. 9 T-23-S, R-36-E	5-18-60	3276-3400	466,211		4,500 @ 100 psi
State "A" A/c-1 No. 100 1980' FNL & 990' FEL, Sec. 9 T-23-S, R-36-E	6-26-69	3191-3454	253,754		6,000 @ 100 psi
State "A" A/c-1 No. 111 2173' FNL & 467' FSL, Sec. 4 T-23-S, R-36-E	1-16-73	3165-3235	-0-		
				66,000	21,000
					31,500 Total

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
CASE NO. 492 EXHIBIT NO. 3  
CASE NO. 490

EXHIBIT 111

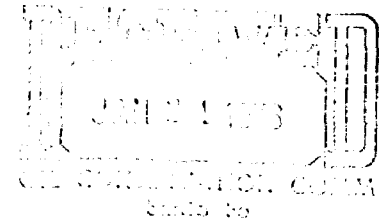
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LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P. O. DRAWER 640  
ROSWELL, NEW MEXICO 86201

TELEPHONE 622-4641  
AREA CODE 505

January 23, 1973

*Case 4904*



Mr. A. L. Porter  
Secretary - Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Porter:

I transmit herewith the Exhibits for Examiner Hearing covering the Application which I submitted on behalf of Texas Pacific Oil Company, Inc. on January 18, 1973.

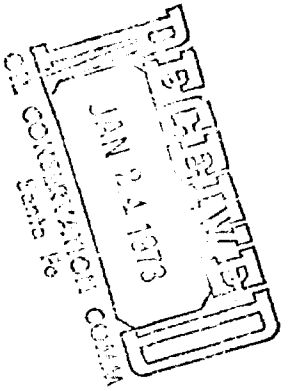
Very truly yours,

*John F. Russell*  
John F. Russell

JFR:mg

Enclosures

Case 4904



TEXAS PACIFIC OIL COMPANY, INC.  
JALMAT GAS POOL  
LEA COUNTY, NEW MEXICO  
PERTINENT DATA SHEET  
CASE NO. \_\_\_\_\_

WELL NAME AND NUMBER	GAS COMPLETION DATE	COMPLETION INTERVAL	CUMULATIVE PRODUCTION 11-1-72 (MCF)	ANTICIPATED MONTHLY FLOW. (MCF)	ANTICIPATED MONTHLY CAPACITY (MCF)
State "A" A/c-1 No. 12 660' FS & WL, Sec. 4 T-23-S, R-36-E	12-8-46	Open Hole 3050-3443	3,986,601	24,750	9,000 @ 100 psi 9,000 Total
State "A" A/c-1 No. 41 660' FN & EL, Sec. 9 T-23-S, R-36-E	5-18-60	3276-3400	466,211		4,500 @ 100 psi
State "A" A/c-1 No. 100 1980' FNL & 990' FEL, Sec. 9 T-23-S, R-36-E	6-26-69	3191-3452	253,754		6,000 @ 100 psi
State "A" A/c-1 No. 111 2173' FNL & 467' FSL, Sec. 4 T-23-S, R-36-E	1-16-73	3165-3235	-0-		
			Combined Total of State "A" A/c-1 Wells 41, 100 & 111		
			66,000		21,000
					31,500 Total

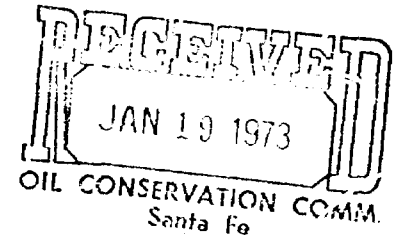
WCY:kg  
1/22/73

EXHIBIT III

LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P. O. DRAWER 640  
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641  
AREA CODE 505

January 18, 1973



Mr. A. L. Porter  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Porter:

I transmit herewith in triplicate the Application of Texas Pacific Oil Company, Inc. for the designation of two non-standard gas pro-ration units in the Jalmat Pool, Lea County, New Mexico. It is requested that this hearing be set before the Examiner on the February 14th hearing date.

Copies of the Exhibits will be forwarded to you upon their receipt.

Very truly yours,

*John F. Russell*  
John F. Russell

JFR:mg

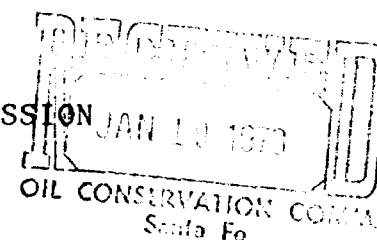
Enclosures

DOCKET MAILED

Date 2-1-73

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION )  
 OF TEXAS PACIFIC OIL COMPANY, INC., )  
 FOR SEVERAL NON-STANDARD GAS PRO- )  
 RATION UNITS, LEA COUNTY, NEW MEXICO, )  
 AND FOR THE REDEDICATION OF CERTAIN )  
 ACREAGE AND THE ESTABLISHMENT OF )  
 CERTAIN NON-STANDARD GAS PRO-RATION )  
 UNITS IN ITS STATE "A" ACCOUNT NO. 1, )  
 LEASE IN SECTIONS 4 and 9, ALL IN )  
 TOWNSHIP 23 SOUTH, RANGE 36 EAST, )  
 JALMAT GAS POOL, LEA COUNTY, NEW )  
 MEXICO )

*Page 4904*

APPLICATION

COMES NOW Applicant, Texas Pacific Oil Company, Inc., through its attorney, John F. Russell, and requests that the Commission enter an Order authorizing the rededication of acreage and the establishment of the following non-standard gas pro-ration units in Township 23 South, Range 36 East, N.M.P.M., Jalmat Gas Pool, Lea County, New Mexico:

1. A 120 acre non-standard gas pro-ration unit comprising the  $W\frac{1}{2}SW\frac{1}{4}$ ,  $NE\frac{1}{4}SW\frac{1}{4}$  of Section 4 to be dedicated to the State "A" Account No. 1 Well No. 18 located in Unit M of said section.

2. A 320 acre non-standard gas pro-ration unit comprising the  $SE\frac{1}{4}SW\frac{1}{4}$  of Section 4 and the  $NW\frac{1}{4}$ ,  $S\frac{1}{2}NE\frac{1}{4}$ ,  $NE\frac{1}{4}NE\frac{1}{4}$  of Section 9 to be dedicated to its State "A" Account No. 1 Well No. 41 located in Unit A of said Section 9 and its State "A" Account No. 1 Well No. 100 located in Unit H of said Section 9 and its State "A" Account No. 1 Well No. 111 located in Unit N of said Section 4. It is also requested that the allowable assigned to the Unit be produced in any proportion from the wells assigned to the Unit, all in Township 23 South, Range 36 East, Lea County, New Mexico.



3. That each of the proposed non-standard gas pro-  
ration units is productive of gas.

4. That each of the proposed non-standard gas pro-  
ration 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  
pro-ration 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.

WHEREFORE, Applicant requests the Commission to set  
this matter down for hearing before an Examiner, to publish  
its notice as provided by law, and after hearing, to issue its  
order authorizing the rededication of acreage and establishment  
of certain non-standard gas pro-ration units as prayed for herein.

Respectfully submitted,

TEXAS PACIFIC OIL COMPANY, INC.

By John D. Russell  
P. O. Drawer 640  
Roswell, New Mexico 88201  
Attorney for Applicant

DATED: January 18, 1973

DRAFT

dr/

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. 4904

Order No. R-7484

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC. FOR TWO NON-STANDARD  
GAS PRORATION UNITS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 14, 1973  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of February, 1973, 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 establishment of the following two non-standard gas  
proration units in the Jalmat Gas Pool, in Township 23 South,  
Range 36 East, Lea County, New Mexico:

Case No. 4904  
Order No. R-

(a) A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" Well No. 18 located in Unit M of Section 4;

(b) A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State

"A" Well No. 111 located in Unit N of Section 4, Well No. 41 located in Unit A of Section 9, and Well No. 100 located in Unit H of Section 9.

(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 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 two non-standard gas proration units in the Jalmat Gas Pool in Township 23 South, Range 36 East, Lea County, New Mexico, are hereby created:

(a) A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" Well No. 18 located in Unit M of said Section 4;

(b) A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State

Case No. 4904  
Order No. R-

A/k-1

"A" Well No. 111 located in Unit N of Section 4, ~~State~~ "A" A/k-1  
Well No. 41 located in Unit A of Section 9, and ~~State~~ "A" A/k-1  
Well No. 100 located in Unit H of Section 9.

(\*) 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.

(2) That the effective date of this order shall be March 1, 1973, and that the balancing status of the gas proration units herein authorized shall be the status as of that date of the unit being superseded.

(3) That Commission Order R-3209 relating to a 280-acre non standard gas proration unit in Section 9, Township 2.3 South Range 36 East, NM PM, is hereby superseded.

-2-

Case No. 4904  
Order No. R-4484

(4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well 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 two non-standard gas proration units in the Jalmat Gas Pool in Township 23 South, Range 36 East, Lea County, New Mexico, are hereby created:

- (a) A 120-acre unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 4 to be dedicated to the State "A" A/C-1 Well No. 18 located in Unit M of said Section 4;
- (b) A 320-acre unit comprising the SE/4 SW/4 of Section 4 and the NW/4, S/2 NE/4, and NE/4 NE/4 of Section 9 to be simultaneously dedicated to the State "A" A/C-1 Well No. 111 located in Unit N of Section 4, State "A" A/C-1 Well No. 41 located in Unit A of Section 9, and State "A" A/C-1 Well No. 100 located in Unit H of Section 9.

(2) That the effective date of this order shall be March 1, 1973, and that the balancing status of each of the proration units herein authorized shall be the status as of that date of the unit being superseded.

(3) That that portion of Commission Order R-3209 relating to a 280-acre non-standard gas proration unit in Section 9, Township 23 South, Range 36 East, NMPM, <sup>are</sup> ~~is~~ hereby superseded.

(4) 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

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

S E A L

dr/

*of Commission Order No. R-3128 relating to a 160-acre non-standard unit in Section 4, Township 23 South, Range 36 East, NMPM, and that portion*