

Entered April 30, 1984
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8096
Order No. R-7520

APPLICATION OF CONOCO INC. FOR A
NON-STANDARD GAS PRORATION UNIT
AND SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 29, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 30th day of April, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Conoco Inc., is the operator of two currently approved non-standard proration units in the Jalmat Gas Pool as follows:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

- (a) E/2 NW/4 and W/2 NE/4 of Section 19 consisting of 160 acres dedicated to its Sholes B-19 Well No. 2 located in Unit C and;
- (b) E/2 SW/4 and W/2 SE/4 of Section 19 consisting of 160 acres dedicated to its Sholes B-19 Well No. 4 located in Unit K.

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(3) That applicant seeks approval to consolidate the two said non-standard proration units into a single 320-acre non-standard proration unit comprising the E/2 W/2 and W/2 E/2 of said Section 19 and for the simultaneous dedication of the unit to the two said Wells Nos. 2 and 4.

(4) That in Case No. 8078, Doyle Hartman sought to form a 480-acre non-standard proration unit with simultaneous dedication to several wells, said non-standard unit being to the south and east of applicant's proposed non-standard unit.

(5) That Cases Nos. 8096 and 8078 were consolidated for the purpose of obtaining testimony.

(6) That the formation of applicant's non-standard unit was opposed by Doyle Hartman.

(7) That Doyle Hartman failed to prove that his correlative rights would be violated or waste would occur if the application of Conoco was approved.

(8) That the entire proposed 320-acre non-standard proration unit is productive of gas from the Jalmat Gas Pool and that such unit can be efficiently and economically drained by the wells proposed or currently producing thereon.

(9) That the application in this case should be approved.

IT IS THEREFORE ORDERED:

(1) That the application of Conoco Inc. to form a 320-acre non-standard gas proration unit comprising the E/2 W/2 and W/2 E/2 of Section 19, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, and for the simultaneous dedication of the unit to the Sholes B-19 Well No. 2 and the Sholes B-19 Well No. 4 located in Units C and K, respectively, Jalmat Gas Pool, is hereby approved.

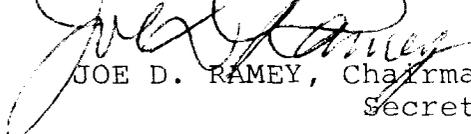
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JIM BACA, Member


ED KELLEY, Member


JOE D. RAMEY, Chairman and
Secretary

S E A L
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