

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

APPLICATION OF TEXAS PACIFIC)
COAL & OIL COMPANY FOR AN)
UNORTHODOX GAS PRORATION UNIT)
CONSISTING OF THE S $\frac{1}{2}$ NE $\frac{1}{4}$ OF SECTION)
20 AND S $\frac{1}{2}$ NW $\frac{1}{4}$ OF SECTION 21, TOWNSHIP)
23 SOUTH, RANGE 36 EAST, N.M.P.M.,)
LEA COUNTY, NEW MEXICO.)

Case No. 617

COMES NOW Texas Pacific Coal & Oil Company, Applicant, and states to the Commission:

1. It is the owner of oil and gas leases covering the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 20 and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 21, Township 23 South, Range 36 East, Lea County, New Mexico.

2. There are two producing gas wells situated in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 21.

3. All of the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 20 and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 21 in said Township and Range is productive of gas.

4. Applicant has complied with Rule 12 of Order No. R-368-A of this Commission.

5. The creation of a 160 acre gas proration unit consisting of the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 20 and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 21, Township 23 South, Range 36 East, is necessary to protect the correlative rights of the Applicant and to avoid the drilling of unnecessary wells.

6. A plat showing the location of the proposed proration unit and the gas wells located thereon is attached hereto as "Exhibit A".

WHEREFORE, Applicant respectfully prays for an order of this Commission as follows:

1. Extending the limits of the Jalco gas pool to such extent as may be necessary in order to include therein

the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 20, Township 23 South, Range 36 East.

2. Creating a gas proration unit consisting of the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 20 and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 21 in Township 23 South, Range 36 East and granting thereto a 160 proration unit allowable.

3. Approving the present location of Applicants N.M. State "A" a/c-1, No. 3 and No. 6 gas wells in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ respectively of Section 21, Township 23 South, Range 36 East as unorthodox gas well locations.

Texas Pacific Coal & Oil Company

By Jack M. Campbell
Jack M. Campbell, its attorney