BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 839 Order No. R-608

THE APPLICATION OF E. G. RODMAN FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION PURSUANT TO RULE 5 (a) OF THE SPECIAL RULES AND REGULATIONS FOR THE JALMAT GAS POOL OF ORDER NO. R-520 IN ESTABLISH-MENT OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT CONSISTING OF THE E/2 SE/4 AND SW/4 SE/4 OF SECTION 21, AND THE NE/4 NE/4 OF SECTION 28, TOWNSHIP 25 SOUTH, RANGE 37 FAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1955, At Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this <u>day</u> of March, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, E. G. Rodman, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, and described as follows, to-wit:

> TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM E/2 SE/4 and SW/4 SE/4 of Section 21; NE/4 NE/4 of Section 28

containing 160 acres, more or less.

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(4) That applicant, E. G. Rodman, has a producing well on the aforesaid lease known as Hadfield Well No. 1, located 660 feet from the south line and 1980 feet from the east line of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That applicant, E. G. Rodman, has a second gas well completed on the aforesaid lease within the same vertical limits as the above-described Hadfield Well No. 1 known as the Hadfield Well No. 2, located 660 feet from the south and east lines of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 160 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of E. G. Rodman for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM E/2 SE/4 and SW/4 SE/4 of Section 21, and NE/4 NE/4 of Section 28

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's wells, Hadfield Well No. 1 and Hadfield Well No. 2, both located in the S/2 SE/4 of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 160-acre gas proration unit bears to the standard or orthodox gas proration unit for said pool. Either one of applicant's two wells may produce all or any portion of the unit allowable, so long as the total production of the two wells does not exceed the total allowable for said unit, and further, that the production from each well shall be reported individually each month to the Commission.

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



STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

71 JOHN F. SIMMS, Chairman Ker 114 E. S. ER, Member N 66 Marly B. MACEY, Member and Secretary