OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 19, 1955

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Gentlemen:

We enclose a copy of Orders R-700 and R-704 issued October 13, 1955, by the Oil Conservation Commission in Cases 950 and 951, respectively, which were heard at the September 15th hearing.

Very truly yours,

W. B. Macey Secretary - Director

WBM:brp Enclosures (2)

BEFORE THE GIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 950 ORDER No. R-700

THE APPLICATION OF WESTERN NATURAL GAS COMPANY 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 GRDER NO. R-520 IN ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 320 CONTIGUOUS ACRES CONSISTING OF NW/4, SW/4 NE/4, E/2 NE/4, AND NE/4 SE/4 OF SECTION 35, TOWNSHIP 23 SOUTH, RANGE 36 EAST, 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 September 15, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NCW, on this 13th day of October, 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 provation unit consisting of other than a legal section after notice and hearing by the Commission.
- (3) That applicant, Western Natural Gas Company 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 23 SOUTH, RANGE 36 EAST, NMPM NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35

containing 320 acres, more or less.

- (4) That applicant, Western Natural Gas Company has a producing well on the aforesaid lease known as No. 1-X Combest, located 1940 feet from the North line and 660 feet from the East line of Section 35, Township 23 South, Range 36 East.
- (5) That the aforesaid well was recompleted prior to the effective date of Order No. R-520, and is located within the horizontal limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.
- (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 320 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 Western Natural Gas Company for approval of a non-standard proration unit consisting of the following described acreage:

> TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35

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

(2) That applicant's well, No. 1-X Combest, located in the SE/4 NE/4 of Section 35, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, in the Jalmat Gas Pool, shall be granted an allowable in the proportion that the above described 320 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

John 7 Si JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

