

**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. 1073
Order No. R-827**

**APPLICATION OF CITIES SERVICE
OIL COMPANY FOR AN ORDER
GRANTING AN EXCEPTION TO RULE
5 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE JALMAT GAS
POOL, AS SET FORTH IN ORDER NO.
R-520, IN THE ESTABLISHMENT OF
A 200 ACRE NON-STANDARD GAS
PRORATION UNIT COMPRISING THE
S/2 SE/4, NW/4 SE/4, SW/4 NE/4,
SE/4 SW/4, SECTION 36, TOWNSHIP
24 SOUTH, RANGE 36 EAST, NMPM,
JALMAT GAS POOL, LEA COUNTY, NEW
MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 23, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this 18th day of June 1956, the Commission, a quorum being present, having considered the application and the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

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

(2) That applicant, Cities Service Oil Company has entered into a gas operating agreement with Phillips Petroleum Company and John M. Kelly to include gas rights in the S/2 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 SW/4, Section 36, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, totalling 200 acres more or less. Said agreement to become effective when and if subject non-standard gas proration unit of 200 acres is granted by the New Mexico Oil Conservation Commission.

(3) That the applicant, Cities Service Oil Company has a producing well on the aforesaid lease located 660 feet from the South and East lines of Section 36, Township 24 South, Range 36 East, NMPM, within the horizontal limits of the Jalmat Gas Pool.

(4) That the 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 Cities Service Oil Company for an order granting approval of a 200 acre non-standard gas proration unit consisting of 200 acres in the Jalmat Gas Pool, and comprising the S/2 SE/4, NW/4 SE/4, SW/4 NE/4 and SE/4 SW/4 Section 36, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby approved.

(2) That applicant's Well State "W" No. 1, located in the Jalmat Gas Pool shall be granted an allowable for the aforesaid well. Said allowable to become effective on the first of the month following receipt by the Office of the New Mexico Oil Conservation Commission, proof of communitization of the Cities Service Oil Company, Phillips Petroleum Company, John M. Kelly, agreement of the New Mexico State Land Office or on the first of the month following the date of the order, whichever date is later.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms

JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member and Secretary

