

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1647
Order No. R-1391

APPLICATION OF OLSEN OILS, INC.,
FOR AN 80-ACRE NON-STANDARD GAS
PRORATION UNIT IN THE JALMAT GAS
POOL, LEA COUNTY, NEW MEXICO, AND
FOR APPROVAL OF AN UNORTHODOX
GAS WELL LOCATION

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 22, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Olsen Oils, Inc., is the owner and operator of the W/2 NW/4 of Section 28, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes the establishment of an 80-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the above-described acreage to be dedicated to its Gregory "B" Well No. 1, located 2310 feet from the North line and 990 feet from the West line of said Section 28.

(4) That by Order No. R-520, said Section 28 was exempt from the provisions of the Jalmat Gas Pool Rules.

(5) That the said Gregory "B" Well No. 1 is completed within the vertical and horizontal limits of the Jalmat Gas Pool and should be subject to all the provisions governing wells in said Jalmat Gas Pool.

-2-

Case No. 1647

Order No. R-1391

(6) That the applicant further seeks approval of the unorthodox gas well location for said Gregory "B" Well No. 1.

(7) That approval of the subject application will not cause waste or impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the W/2 NW/4 of Section 28, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to applicant's Gregory "B" Well No. 1, located 2310 feet from the North line and 990 feet from the West line of said Section 28.

(2) That the said Gregory "B" Well No. 1 shall be subject to all the provisions governing wells in the Jalmat Gas Pool,

(3) That the said Gregory "B" Well No. 1 shall be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said pool.

(4) That the unorthodox gas well location of the said Gregory "B" Well No. 1 be and the same is hereby approved.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

