

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. 1768
Order No. R-1514

APPLICATION OF T. F. HODGE FOR
THREE NON-STANDARD OIL PRORATION
UNITS AND ONE UNORTHODOX OIL WELL
LOCATION IN THE 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 September 30, 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 26th day of October, 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, T. F. Hodge, is the owner and operator of Lots 1, 2, 3, and 4 in Section 33, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes the establishment of three 40-acre non-standard oil proration units in the Jalmat Gas Pool which together comprise a portion of the above-described acreage and which are more particularly described below:

(a) Proposed proration unit no. 1 consists of the following-described 40-acre tract: Beginning at the Southwest corner of said Section 33; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

(b) Proposed proration unit no. 2 consists of the following-described 40-acre tract: Beginning at the Southeast corner of proposed proration unit no. 1; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

(c) Proposed proration unit no. 3 consists of the following-described 40-acre tract: Beginning at the Southeast corner of proposed proration unit no. 2; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

(4) That the applicant proposes to dedicate the above-described proration units respectively to wells drilled at the following-described locations:

(a) A well located 660 feet from the South line and 660 feet from the West line of said Section 33.

(b) A well located 660 feet from the South line and 1980 feet from the West line of said Section 33.

(c) A well located 660 feet from the South line and 1980 feet from the East line of said Section 33, which location is unorthodox if the proposed unit is approved.

(5) That since proposed proration unit no. 3 includes a dry hole drilled to the same common source of supply for which the non-standard units are sought, the entire 40-acre tract proposed as the proration unit cannot reasonably be presumed to be productive of oil from the Jalmat Gas Pool.

(6) That proration unit no. 3 should be limited to a 35.7-acre tract described as follows:

Beginning at the Southeast corner of proposed proration unit no. 2; thence North 1095 feet; thence East 1420 feet; then South 1095 feet; thence West 1420 feet back to the point of beginning.

-3-

Case No. 1768

Order No. R-1514

(7) That approval of the subject application as modified by finding no. 6 will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 40-acre non-standard oil proration unit in the Jalmat Gas Pool, Lea County, New Mexico, comprising the following-described acreage be and the same is hereby established:

Beginning at the Southwest corner of Section 33, Township 26 South, Range 37 East, NWPM, Lea County, New Mexico; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1095 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 660 feet from the West line of said Section 33.

(2) That a 40-acre non-standard oil proration unit in the Jalmat Gas Pool comprising the following-described acreage be and the same is hereby established:

Beginning at the Southeast corner of the proration unit described in paragraph 1; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 1980 feet from the West line of said Section 33.

(3) That a 35.7-acre non-standard oil proration unit in the Jalmat Gas Pool comprising the following-described acreage be and the same is hereby established:

Beginning at the Southeast corner of the proration unit described in paragraph 2; thence North 1095 feet; thence East 1420 feet; thence South 1095 feet; thence West 1420 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 1980 feet from the East line of said Section 33.

-4-

Case No. 1766
Order No. R-1514

(4) That the allowable assigned to the 35.7-acre non-standard oil proration unit described in the preceding paragraph shall bear the same ratio to a standard allowable in the same common source of supply as the acreage in the non-standard oil proration unit bears to the acreage in a standard oil proration unit in the same common source of supply.

(5) That the effective date of this order is November 1, 1959.

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



lcr/