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. 2342 Order No. R-2040

APPLICATION OF WESTERN NATURAL GAS COMPANY FOR A NON-STANDARD GAS PRO-RATION UNIT AND FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 19, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, 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 July, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Western Natural Gas Company, is the owner and operator of the SW/4 of Section 14 and the SE/4 of Section 15, all in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the above-described acreage.

(4) That the proposed unit can reasonably be presumed to be productive of gas from the Jalmat Gas Pool.

(5) That inasmuch as all of the acreage surrounding the proposed unit is dedicated to Jalmat gas wells, the proposed unit should be established.

(6) That the applicant further proposes to locate its Markins Well No. 1 at an unorthodox location 660 feet from the -2-CASE No. 2342 Order No. R-2040

South line and 660 feet from the East line of said Section 15, to which well the subject non-standard gas proration unit would be dedicated.

(7) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool is hereby established comprising the SW/4 of Section 14 and the SE/4 of Section 15, all in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That the acreage factor for allowable purposes assigned to the above-described 320-acre non-standard gas proration unit shall bear the same ratio to a standard acreage factor as the acreage in said unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool.

(3) That the applicant, Western Natural Gas Company, is hereby authorized to locate its Matkins Well No. 1 at an unorthodox location 660 feet from the South line and 660 feet from the East line of said Section 15, to which well the subject proration unit shall be dedicated.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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E. S. WALKER, Member

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

