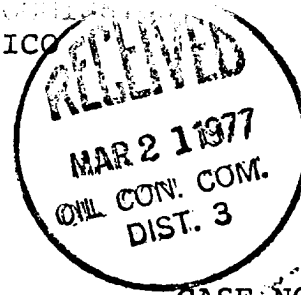


BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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



CASE NO. 5878
Order No. R-5396

APPLICATION OF MICHAEL T. GOTTLIEB
FOR TWO NON-STANDARD GAS PRORATION
UNITS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1977, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Michael T. Gottlieb, seeks approval
of two 160-acre non-standard Blanco Mesaverde gas proration units
comprising the NE/4 of Section 3 and the SW/4 of Section 35,
respectively, of Township 27 North, Range 8 West, NMPM, to be
dedicated to his Graham Well No. 44, located in Unit B of said
Section 3 and to a well to be drilled at a standard location in
the SW/4 of said Section 35, respectively.

(3) That each of the non-standard proration units may
reasonably be presumed productive of gas from the Blanco Mesaverde
Pool and that each of the non-standard gas proration units should
be efficiently and economically drained and developed by the
aforesaid wells.

(4) That approval of the subject application will afford
the applicant the opportunity to produce his just and equitable
share of the gas in the Blanco Mesaverde Pool, will prevent the
economic loss caused by the drilling of unnecessary wells, avoid
the augmentation of risk arising from the drilling of an excessive
number of wells, and will otherwise prevent waste and protect
correlative rights.

✓ Order filed
✓ Index
✓ All papers
✓ Copy filed
✓ NS file

IT IS THEREFORE ORDERED:

(1) That two 160-acre non-standard gas proration units in the Blanco Mesaverde Pool comprising the NE/4 of Section 3 and the SW/4 of Section 35, respectively, in Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, are hereby established and dedicated to the Michael T. Gottlieb Graham Well No. 44 located in Unit B of said Section 3, and to a well to be drilled at a standard location in the SW/4 of said Section 35, respectively.

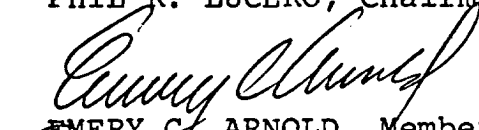
(2) That the acreage factor assigned to each of the afore-said 160-acre non-standard units for proration purposes shall be 0.5.

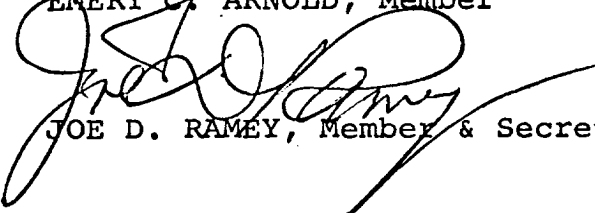
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/