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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6766
Order No. R-6234

APPLICATION OF SUPRON ENERGY CORPORATION
FOR TWO NON-STANDARD GAS PRORATION UNITS,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

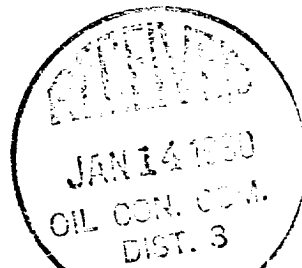
FINDS:

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

(2) That the applicant, Supron Energy Corporation, seeks approval of a 192.97-acre non-standard gas proration unit comprising the W/2 of Section 7, Township 28 North, Range 10 West, and the E/2 E/2 of Section 12, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, for the Fruitland, Pictured Cliffs and Chacra formations, and a 190.89-acre non-standard gas proration unit comprising the W/2 and W/2 E/2 of said Section 12 for the Fruitland formation only, both units to be dedicated to wells to be drilled at standard locations thereon.

(3) That each of the above-described non-standard proration units may reasonably be presumed productive of gas from the aforesaid formations, and that said non-standard gas proration units can be efficiently and economically drained and developed by the proposed unit well.

(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 subject formations, 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.

IT IS THEREFORE ORDERED:

(1) That the application of Supron Energy Corporation for a 192.97-acre non-standard gas proration unit comprising the W/2 of Section 7, Township 28 North, Range 10 West and the E/2 E/2 of Section 12, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, for the Fruitland, Pictured Cliffs and Chacra formations, and a 190.89-acre non-standard gas proration unit comprising the W/2 and W/2 E/2 of said Section 12 for the Fruitland formation only, each unit to be dedicated to a well to be drilled at a standard location thereon, is hereby approved.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

192.97 - W/2 Sec 7 - 28-10 +
E/2 E/2 Sec 12 - 28-11

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190.89 - W/2 + W/2 E/2 Sec 12 - 28-11