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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION STATE OF NEW MEXICO

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

CASE NO. 9621 ORDER NO. R-8898

APPLICATION OF AMOCO PRODUCTION COMPANY FOR SIX NON-STANDARD GAS PRORATION UNITS, SAN JUAN COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 15, 1989, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 3rd day of April, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Amoco Production Company, seeks approval of six non-standard gas proration units in the Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico, as described in Exhibit "A" attached hereto and made a part hereof.
- (3) Said non-standard proration units are necessitated by irregular sections resulting from survey corrections in the United States Public Lands Survey.
- (4) The acreage contained in each individual proration unit should be based on the latest official surveys and resurveys accepted by the United States Government.
- (5) The non-standard proration units may reasonably be presumed productive of gas from the Basin-Fruitland Coal (Gas) Pool and the non-standard gas proration units can be efficiently and economically drained and developed by the aforesaid wells to be drilled in each unit.