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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. 2538  
Order No. R-2030-A

APPLICATION OF SOUTHWEST PRODUCTION  
COMPANY FOR A NON-STANDARD OIL PRO-  
RATION UNIT, SAN JUAN COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 25, 1962, 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 8th day of May, 1962, 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 by Order No. R-2030, entered in Case No. 2323 on July 13, 1961, the Commission established two 56.625-acre non-standard oil proration units in the Cha Cha-Gallup Oil Pool in that portion of the SE/4 of Section 16, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, lying North of the mid-channel of the San Juan River. That said order also authorized Southwest Production Company to locate a well at an unorthodox location 1912 feet from the South line and 2310 feet from the East line of said Section 16.

(3) That even though it may be assumed that all of the above-described acreage is productive to some degree in the Cha Cha-Gallup Oil Pool, Southwest Production Company does not contemplate the drilling of a well on the East 56.625-acre proration unit.

(4) That the applicant, Southwest Production Company, requests that Order No. R-2030 be superseded and that a 73.89-acre non-standard oil proration unit in the Cha Cha-Gallup Oil

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Pool be established comprising the NE/4 SE/4 and that portion of the NW/4 SE/4 lying North of the mid-channel of the San Juan River, all in said Section 16, sand unit to be dedicated to the Foutz-State Well No. 1 at the above-described location.

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

IT IS THEREFORE ORDERED:

(1) That a 73.89-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool is hereby established comprising the NE/4 SE/4 and that portion of the NW/4 SE/4 lying North of the mid-channel of the San Juan River in Section 16, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico. Said unit shall be dedicated to the Foutz-State Well No. 1, located 1912 feet from the South line and 2310 feet from the East line of said Section 16.

(2) That the provision of Order No. R-2030 relating to the establishment of two 56.625-acre non-standard oil proration units in said Section 16 is hereby superseded.

(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

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

S E A L

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

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