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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. 2324
Order No. R-2025

APPLICATION OF AZTEC OIL & GAS
COMPANY FOR AN ORDER POOLING A
STANDARD 320-ACRE GAS PRORATION
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 June 28, 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 13th 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, Aztec Oil & Gas Company, is the owner of the working interest in the N/2 of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, and proposes to drill a well to the Basin-Dakota Gas Pool to which said acreage would be dedicated.
- (3) That the applicant seeks an order pooling all mineral interests in a standard 320-acre gas proration unit in the Basin-Dakota Gas Pool consisting of all of the above-described acreage.
- (4) That the applicant has made diligent effort to secure the consent of all mineral interest owners to the formation of said unit, but that Harry W. Young and Marguerite W. Young, the owners of the royalty interest in the NW/4 of said Section 2, have refused their consent to the formation of said unit.
- (5) That in order to afford the owner of each interest in said proration unit the opportunity to recover or receive without

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unnecessary expense his just and fair share of the gas in the Basin-Dakota Gas Pool, and in order to protect correlative rights, the subject application should be approved.

(6) That the applicant should be designated the operator of the unit.

IT IS THEREFORE ORDERED:

(1) That the mineral interests of all persons in the Basin-Dakota Gas Pool in the N/2 of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, are hereby pooled to form a standard 320-acre gas proration unit in said pool.

(2) That Aztec Oil & Gas Company is hereby designated as the operator of said unit.

(3) That royalty payments are not to be withheld for the purpose of paying out the costs of development and operation of the pooled unit.

(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

E. S. WALKER, Member

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

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