

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8117
Order No. R-7482

APPLICATION OF SLAYTON OIL CORPORATION
FOR A NON-STANDARD PRORATION UNIT,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 14, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of March, 1984, 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, Slayton Oil Corporation, seeks approval of a 70.57-acre non-standard oil proration unit comprising Lots 8 and 9 of Section 18, Township 29 North, Range 14 West, NMPM, to be dedicated to a well to be drilled at an unorthodox location thereon to be subsequently approved.

(3) That the entire non-standard proration unit may reasonably be presumed productive of oil from the Cha Cha Gallup Oil Pool and that the entire non-standard oil proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the oil in the Cha Cha Gallup Oil 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.

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OIL CON. DIV.
DIST. 3

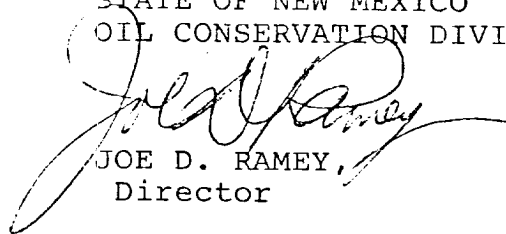
IT IS THEREFORE ORDERED:

(1) That the application of Slayton Oil Corporation for a 70.57-acre non-standard oil proration unit in the Cha Cha Gallup Oil Pool comprising Lots 8 and 9 of Section 18, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, is hereby approved, said unit to be dedicated to a well to be drilled at an unorthodox location to be subsequently 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

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