

*Entered August 14, 1959  
A.P.*

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. 1710  
Order No. R-1458

APPLICATION OF THE ATLANTIC  
REFINING COMPANY FOR THE  
ESTABLISHMENT OF THREE NON-  
STANDARD OIL PRORATION UNITS  
AND FOR APPROVAL OF AN UN-  
ORTHODOX WELL LOCATION IN THE  
HORSESHOE-GALLUP OIL POOL,  
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 July 15, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 3rd day of August, 1959, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, The Atlantic Refining Company, is the operator of that portion of the W/2 W/2 of Section 33, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico, lying within the Navajo Indian Reservation, while El Paso Natural Gas Products Company is the operator of that portion of the W/2 W/2 of said Section 33 lying within the Ute Mountain Indian Reservation, which two tracts include a combined total of 133.68 acres.

(3) That the applicant proposes the establishment of three non-standard oil proration units in the Horseshoe-Gallup Oil Pool, which proposed units are described as follows:

(a) A non-standard oil proration unit consisting of the northernmost 44.56 acres of the W/2 W/2 of said Section 33, to be dedicated to a well to be located 874 feet from

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the North line and 4496 feet from the East line of said Section 33.

(b) A non-standard oil proration unit consisting of the southernmost 44.56 acres of the W/2 W/2 of said Section 33, to be dedicated to the Horseshoe Ute Well No. 3, located 650 feet from the South line and 4500 feet from the East line of said Section 33.

(c) A 44.56-acre non-standard oil proration unit consisting of the remainder of the W/2 W/2 of said Section 33, to be dedicated to the Horseshoe Ute Well No. 5, located 1980 feet from the North line and 4470 feet from the East line of said Section 33.

(4) That El Paso Natural Gas Products Company has not yet agreed to communitize its acreage with that of the applicant, due to a dispute as to the proper number of wells to be drilled in the said W/2 W/2 of Section 33.

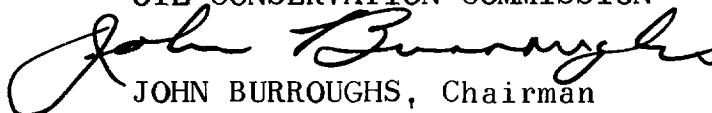
(5) That approval of the subject application would serve no useful purpose in the absence of an agreement to communitize.

IT IS THEREFORE ORDERED:

That the application of The Atlantic Refining Company for the establishment of three non-standard oil proration units comprising the W/2 W/2 of Section 33, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico, and more particularly described in Finding No. 3, be and the same is hereby denied.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN BURROUGHS, Chairman

  
MURRAY E. MORGAN, Member

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

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