Contral Octorer 9, 1974 afp?

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. 5320 Order No. R-4863

APPLICATION OF LIVELY EXPLORATION COMPANY FOR A NON-STANDARD GAS PRORATION UNIT, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 18, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>9th</u> day of October, 1974, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Lively Exploration Company, seeks approval for a 341.88 non-standard gas proration unit comprising Lots 9,10,11, and 12 of Section 7, and Lots 1,2,3, and 4, and the E/2 W/2 of Section 18, Township 29 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit.

(3) That formation of the non-standard unit is necessary due to a variation in the U. S. Public Lands Surveys.

(4) That the entire area included in the proposed nonstandard unit may reasonably be presumed productive of gas from the Dakota formation.

(5) That no offset operator objected to the proposed non-standard unit.

(6) That approval of the subject application will not cause waste or violate correlative rights, but will permit the interest owners in the proposed unit to recover their just and equitable share of the gas in the Basin-Dakota Pool.

-2-CASE NO. 5320 Order No. R-4863

(7) That the application for a non-standard gas proration unit should be approved.

IT IS THEREFORE ORDERED:

(1) That a 341.88-acre non-standard gas proration unit in the Basin-Dakota Pool comprising Lots 9, 10, 11, and 12 of Section 7, and Lots 1, 2, 3, and 4, and the E/2 W/2 of Section 18, Township 29 North, Range 8 West, San Juan County, New Mexico, is hereby approved to be dedicated to a well to be drilled at a standard location for said unit at a point 1820 feet from the South line and 1100 feet from the West line of said Section 18.

(2) 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

I. R. TRUJILLO, Chairman

J. ARMIJO. Member LA PORTER, Jr., Memb & Secretary

- -

SEAL

og/