

Entered August 16, 1979
JLR

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. 6588
Order No. R-6065

APPLICATION OF CARIBOU FOUR CORNERS, INC.
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 9 a.m. on July 11, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of August, 1979, 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, Caribou Four Corners, Inc., seeks approval of a 64.32-acre non-standard oil proration unit comprising the NW/4 NW/4 and that part of Lot 5 lying north of the San Juan River, all in Section 18, Township 29 North, Range 14 West, NMPM, to be dedicated to its Kirtland Well No. 4, to be located in Unit E of said Section 18.
- (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 afore-said 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.

-2-

Case No. 6588

Order No. R-6065

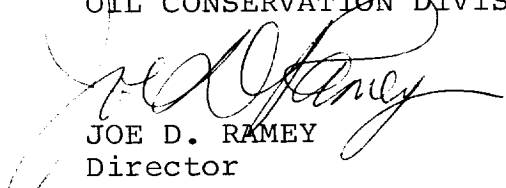
IT IS THEREFORE ORDERED:

(1) That a 64.32-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool comprising the NW/4 NW/4 and that part of Lot 5 lying north of the San Juan River, all in Section 18, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, is hereby established and dedicated to the Caribou Four Corners, Inc. Kirtland Well No. 4, to be located in Unit E of said Section 18.

(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

fd/