

Entered August 10, 1982
JHR

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. 7632
Order No. R-7055

APPLICATION OF AZTEC ENERGY CORPORATION
FOR A NON-STANDARD PRORATION UNIT,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 4, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of August, 1982, 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, Aztec Energy Corporation, seeks approval of a 160-acre non-standard proration unit comprising the SE/4 SE/4 of Section 5 and the E/2 NE/4 and SW/4 NE/4 of Section 8, Township 23 North, Range 6 West, NMPM, to be dedicated to its Dever Well No. 1 located in Unit A of said Section 8.
- (3) That the entire non-standard proration unit may reasonably be presumed productive from the Counselors-Gallup Oil Pool and that the entire non-standard 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 its just and equitable share of the oil and gas in the Counselors-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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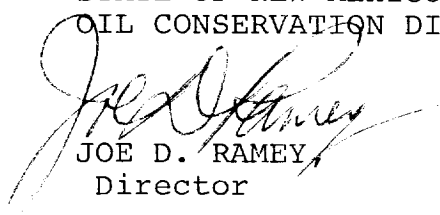
IT IS THEREFORE ORDERED:

(1) That Aztec Energy Corporation is hereby authorized a 160-acre non-standard proration unit in the Counselors-Gallup Oil Pool comprising the SE/4 SE/4 of Section 5, and the E/2 NE/4 and SW/4 NE/4 of Section 8, Township 23 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, to be dedicated to its Dever Well No. 1, located in Unit A of said Section 8.

(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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