

**BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:**

**CASE NO. 1028  
Order No. 784**

**THE APPLICATION OF PACIFIC  
NORTHWEST PIPELINE CORPORATION  
FOR AN ORDER GRANTING AN APPROVAL  
OF AN EXCEPTION PURSUANT TO RULE  
1 (a) OF THE SPECIAL RULES AND  
REGULATIONS FOR THE BLANCO-  
MESAVERDE GAS POOL AS SET FORTH IN  
ORDER R-128-D IN THE ESTABLISHMENT  
OF A NON-STANDARD GAS PRODUCTION UNIT  
CONSISTING OF 328.2 CONTIGUOUS ACRES  
AND IN ADDITION AN ORDER IN EXCEPTION  
TO RULE 1 (c) OF ORDER R-110 AS  
AMENDED BY ORDER R-397, GRANTING  
APPROVAL OF AN UNORTHODOX LOCATION  
THEREON. SAID NON-STANDARD UNIT TO  
CONSIST OF LOTS 1 AND 2 AND THE  
S/2 OF THE SE/4 OF FRACTIONAL SECTION  
8, AND THE E/2 E/2 OF SECTION 17,  
TOWNSHIP 32 NORTH, RANGE 11 WEST,  
NMPM, SAN JUAN COUNTY, NEW MEXICO.**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13766 Exhibit No. 1  
Submitted by:  
Williams Production Company  
Hearing Date: September 14, 2006**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. at Santa Fe, New Mexico on March 7, 1956, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 16 day of April 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application and the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

**FINDS:**

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That applicant, Pacific Northwest Pipeline Corporation is the owner of federal oil and gas leases in San Juan County, New Mexico, a portion of the land consisting of other than a legal section and described as follows, to-wit:

**TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM  
Lots 1 and 2 and S/2 SE/4 of Fractional Section 8  
E/2 E/2 of Section 17**

containing 328.2 acres.

(3) That applicant, Pacific Northwest Pipeline Corporation proposes to drill its Cox Canyon Unit Well No. 8-8 on the aforesaid leases, said well to be located 1389 feet from the South line and 1309 feet from the East line of fractional Section 8, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico.

(4) That it is impractical to pool applicant's said lease with adjoining acreage in the Blanco Mesaverde Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 328.2 acres and the unorthodox location thereon.

(5) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blanco Mesaverde Gas Pool.

(6) That the creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Pacific Northwest Pipeline Corporation for the approval of a non-standard gas proration unit consisting of the following described acreage in San Juan County, New Mexico.

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM  
Lots 1 and 2 and S/2 SE/4 of Fractional Section 8  
E/2 E/2 of Section 17

consisting of 328.2 acres, be and the same is approved and a proration unit consisting of the aforesaid acreage is hereby created.

(2) That upon completion, applicants aforementioned well shall be granted an allowable in the proportion that the above described 328.2 acre unit bears to the standard proration unit for the Blanco Mesaverde Gas Pool, all until further order of the Commission.

IT IS FURTHER ORDERED:

That Pacific Northwest Pipeline Corporation, be and the same is hereby granted an approval for an unorthodox location for its proposed well to be known as Cox Canyon Unit Well No. 8-8 to be drilled 1389 feet from the South line and 1309 feet from the East line of fractional Section 8, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico in the Blanco Mesaverde Gas Pool.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Simms*  
JOHN F. SIMMS, Chairman

*E. S. Walker*  
E. S. WALKER, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member and Secretary



**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**



**February 16, 1956**

**Pacific Northwest Pipeline Corp.  
Simms Building  
Albuquerque, New Mexico**

**Attention: Mr. James E. Sperling**

**Administrative Order NW-162**

**Gentlemen:**

**Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Blanco-Mesa Verde Gas Pool consisting of the following acreage:**

**Township 32 North, Range 11 West, NMPM  
E/2 W/2 and W/2 E/2 of Section 17**

**It is understood that this unit is to be ascribed to your Cox Canyon Unit Well No. 7-17 to be located 1540 feet from the North line and 2340 feet from the East line and in the SW/4 NE/4 of Section 17, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico.**

**Inasmuch as you enclosed waivers from the offset operators agreeing to the formation of the proposed unit, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 1, Section (b)-4 of the Special Rules and Regulations of the Blanco-Mesa Verde Gas Pool, as set forth in Order R-128-D, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 320 acres.**

**Very truly yours,**

**W. B. Macey  
Secretary-Director**

**Conservation Commission, Santa**

**Fe, Farmington**

**OS, Hobbs**

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