

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. 896
Order No. R-653

THE APPLICATION OF THE M. S. B. W.
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 6 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE FULCHER KUTZ-
PICTURED CLIFFS GAS POOL OF ORDER
NO. R-565, IN THE ESTABLISHMENT OF AN
UNORTHODOX GAS PRORATION UNIT OF 100
CONTIGUOUS ACRES CONSISTING OF SE/4
SW/4 OF SECTION 28, THE NW/4 NW/4,
AND THE NW/2 NE/4 NW/4 OF SECTION 33,
TOWNSHIP 30 NORTH, RANGE 12 WEST, 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 May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 20th day of June, 1955, the Commission, a quorum being present, having considered the records and testimony adduced 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 pursuant to the provisions of Rule 6 (a) of the Special Rules and Regulations for the Fulcher Kutz-Pictured Cliffs Gas Pool of Order No. R-565, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, M. S. B. W. Company, is the owner of an oil and gas lease in San Juan County, New Mexico, the land consisting of other than a legal section and described as follows:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
SE/4 SW/4 of Section 28
NW/4 NW/4 and NW/2 NE/4 NW/4 of Section 33

containing 100 acres more or less.

(4) That applicant, M. S. B. W. Company, has a producing well on the aforesaid lease known as the Montano Well No. 1, located 1650 feet from the West line and 330 feet from the South line of Section 28, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico.

(5) That the aforesaid well is located within the horizontal limits of the Fulcher Kutz-Pictured Cliffs Gas Pool, as delineated and designated in Order No. R-565.

(6) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to receive its just and equitable share of natural gas in the Fulcher Kutz-Pictured Cliffs Gas Pool.

(7) 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 the M. S. B. W. Company, for approval of a 100-acre unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
SE/4 SW/4 of Section 28
NW/4 NW/4 and NW/2 NE/4 NW/4 of Section 33

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

(2) That applicant's well, the Montano Well No. 1, located in the SE/4 and the SW/4 of Section 28, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico, shall be granted an allowable in the proportion that the above-described 100-acre unit bears to the standard or orthodox proration unit for said pool all until further order of the Commission.

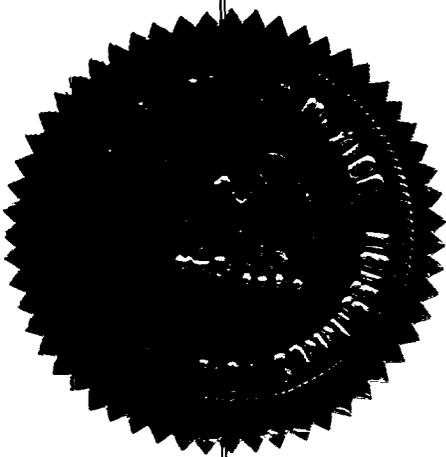
DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

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

W. B. Macey
W. B. MACEY, Member and Secretary



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