

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 22, 1954

Stanolind Oil and Gas Company
Box 1410
Fort Worth, Texas

Attention: Mr. R. G. Hilts

Gentlemen:

We enclose copy of the order issued in Case 787, this
being Order R-564 dated December 20, 1954.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:nr

Encl.

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Case 781
M. J. ...
STANOLIND OIL AND GAS COMPANY *OL*

OIL AND GAS BUILDING

FORT WORTH, TEXAS

MAIN OFFICE 600 *WDM*

C. F. BEDFORD
DIVISION PRODUCTION SUPERINTENDENT

October 18, 1954

OCT 18 1954 10:35

File: RGH-4549-175

Subject: Unorthodox Gas Drilling
and Proration Units, and
Unorthodox Gas Well Locations
Blanco Mesaverde Gas Pool
San Juan County, New Mexico

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Certain sections along the western boundary of Township 29 North, Range 9 West, are "narrow" sections of approximately 530 acres each. Specific reference in this application will be made to Sections 6 and 7, which lie within the currently defined boundaries of the Blanco Mesaverde Gas Pool in San Juan County. Existing rules governing the spacing of wells and establishment of drilling and proration units in this gas pool were developed primarily on the basis of normal governmental subdivisions of approximately 640 acres. In these narrow sections, therefore, it is not possible to comply completely with the referenced rules, and the formation of unorthodox units is mandatory.

It is respectfully requested that a hearing be set on the application of the Stanolind Oil and Gas Company for exceptions to Oil Conservation Commission Order No. R-110 as amended by Order No. R-397, so as to permit the formation of three unorthodox gas drilling and proration units as follows:

<u>Name of Unit</u>	<u>Location</u>	<u>Approximate Acreage</u>
Houck Gas Unit	N/2 6-29N-9W	263
Jaquez Gas Unit "C"	S/2 6-29N-9W N/2 N/2 N/2 7-29N-9W	342
Nye Gas Unit	S/2 N/2 N/2 7-29N-9W S/2 N/2 7-29N-9W N/2 S/2 7-29N-9W	351

A plat of the referenced area outlining the above three units is attached hereto and made a part of this application.

In conjunction with the above unorthodox units, Stanolind also requests that this hearing include our application for exceptions to Rule R-110 as amended by Order No. R-397, to permit the drilling of wells in the Blanco (Mesaverde) Gas Pool at the following locations:

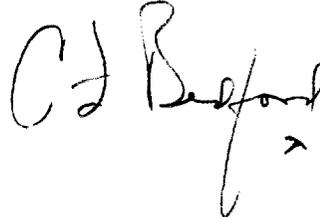
<u>Name of Unit</u>	<u>Location</u>
Jaquez Gas Unit "C"	850' from south line and 1750' from east line, Section 6-29N-9W
Nye Gas Unit	1750' from north line and 790' from east line, Section 7-29N-9W

The requirement for approval of the above unorthodox locations is occasioned by the necessity of forming unorthodox drilling and production units.

It will be noted that Stanolind is the owner of all working interest involved in the three proposed unorthodox units, except for one tract of approximately 56 acres in the N/2 of Section 7. This latter tract is jointly owned by Stanolind and Beamon & Johnson. We should also like to point out that formation of the above referred to Houck Gas Unit has been concluded by the execution of Communitization Agreements by appropriate interest owners. A well was drilled and completed on this unit on February 17, 1953, in the NE/4 Section 6, T-29-N, R-9-W.

In our opinion, all of the acreage involved in these proposed units is reasonably proven productive of gas, and formation of these units and drilling of wells at the proposed locations is necessary to protect correlative rights and prevent confiscation of property.

Yours very truly,



RGH:cp
Attachment