

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. 2323
Order No. R-2030

APPLICATION OF SOUTHWEST PRODUCTION
COMPANY FOR TWO NON-STANDARD OIL PRO-
PORTION UNITS AND FOR AN UNORTHODOX
OIL WELL LOCATION IN THE CHA CHA-
GALLUP OIL POOL, 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 June 28, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of July, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Commission Order No. R-1967, entered in Case No. 2271 on May 11, 1961, established a 46.75-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool, consisting of Lot 6 and the S/2 of that portion of the San Juan River channel lying in the SE/4, all in Section 16, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.

(3) That the applicant, Southwest Production Company, is the owner and operator of the remaining acreage in the SE/4 of said Section 16, comprising 113.25 acres.

(4) That the applicant seeks the establishment of two non-standard oil proration units in the Cha Cha-Gallup Oil Pool, one unit consisting of the West 56.625 acres and one unit consisting of the East 56.625 acres of that portion of the SE/4 of said Section 16 lying North of the mid-channel of the San Juan River.

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(5) That the applicant further proposes to locate a well at an unorthodox location in the subject pool 1912 feet from the South line and 2310 feet from the East line of said Section 16, to which well the West proration unit is to be dedicated.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That two non-standard oil proration units in the Cha Cha-Gallup Oil Pool are hereby established, one unit consisting of the West 56.625 acres and one unit consisting of the East 56.625 acres of that portion of the SE/4 of Section 16, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, lying North of the mid-channel of the San Juan River.

(2) That the allowable which will be assigned to each proration unit shall bear the same ratio to a standard allowable in the Cha Cha-Gallup Oil Pool as 56.625 bears to 80.

(3) That in the event an official survey changes the amount of acreage in the subject tract now comprising 113.25 acres, the acreage to be allocated to each unit for allowable purposes shall be one-half of the acreage in the tract according to the change.

(4) That the applicant, Southwest Production Company, is hereby authorized to locate a well at an unorthodox location in the Cha Cha-Gallup Oil Pool 1912 feet from the South line and 2310 feet from the East line of said Section 16, to which well the above-described West proration unit is to be dedicated.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


A. L. PORTER, Jr., Member & Secretary

