

4/11/67

6-1-57

BEFORE THE OIL CONSERVATION COMMISSION
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
R & G DRILLING COMPANY FOR AN EXCEPTION
TO THE PROVISIONS OF OIL CONSERVATION
COMMISSION ORDER NO. R-2046 FOR THE
FORMATION OF TWO NON-STANDARD PRORATION
UNITS IN THE BASIN-DAKOTA GAS POOL.

A P P L I C A T I O N

Comes now R & G Drilling Company, Inc., and applies to the Oil Conservation Commission of the State of New Mexico for approval of the formation of two non-standard drilling units in the Basin-Dakota Gas Pool, San Juan County, New Mexico, as an exception to the provisions of Commission Order No. R-2046, dated August 4, 1961, and in support thereof would show:

1. That applicant seeks approval of units as follows:

Township 30 North, Range 13 West, N.M.P.M., San Juan County

Unit No. 1: Sec. 6 - Lots 3, 4, 5, 6, 7, and the
SE/4 NW/4, E/2 SW/4

Sec. 7 - Lots 1, 2, and the E/2 NW/4

Containing 342.51 acres more or less

Unit No. 2: Sec. 7 - Lots 3, 4, and the E/2 SW/4

Sec. 18 - W/2

Containing 320.27 acres, more or less.

2. That a non-standard proration unit for production from the Basin-Dakota Gas Pool is necessitated by irregular sections resulting from survey corrections in the United States Public Lands Survey,

3. That in approving the formation of non-standard units in its order No. R-2046 for the area involved in this application, the Commission took into consideration, lands in more than one township, which resulted in the inclusion of lands within one

proration unit that would not normally be covered by one lease, nor held under common ownership, necessitating an unnecessary communitization of leasehold interests, and a portion of such lands are not presently available for dedication to a well proposed to be drilled by applicant.

4. That the working interest to the lands described in this application for approval of non-standard proration units is held under common ownership, and should be drilled and developed in the units proposed.

Wherefore applicant prays that this application be set for hearing before the Commission or its duly appointed and qualified examiner, and that after notice and hearing as required by law, the Commission enter its order approving the formation of two non-standard proration units as proposed herein.

Respectfully submitted,

R & G DRILLING COMPANY, Inc.

By Jason W. Kellahin
Jason W. Kellahin

KELLAHIN & FOX
P. O. Box 1713
Santa Fe, New Mexico

Attorneys for Applicant