

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9286
Order No. R-8588

APPLICATION OF CURTIS J. LITTLE FOR
A NON-STANDARD OIL PRORATION UNIT,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 6, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of January, 1988, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Curtis J. Little, seeks approval of a 160-acre non-standard oil proration unit comprising the S/2 NE/4 and N/2 SE/4 of Irregular Section 2, Township 25 North, Range 3 West, NMPM, West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard oil well location in Unit H of said Section 2.

(3) All of said Section 2 was within the boundary of the Ojito Gallup-Dakota Oil Pool, developed on 40-acre units, until Division Order No. R-8544, dated November 19, 1987, abolished said pool and extended the West Lindrith Gallup-Dakota Oil Pool, developed on 160-acre spacing, to include all of the acreage previously dedicated to the Ojito Gallup-Dakota Oil Pool.

(4) Offsetting the proposed unit to the north are Lots 1 and 2 of said Section 2, consisting of 58.01 acres and 58.16 acres, respectively.

(5) By combining said Lots 1 and 2, a 116.17-acre non-standard gas spacing and proration unit in the West Lindrith Gallup-Dakota Oil Pool could be formed.

(6) No interested party appeared and objected to the subject application.

(7) The evidence presented at the time of the hearing indicates that by developing this portion of the pool underlying Section 2, in the above-described manner, would ensure systematic development and thereby prevent waste and protect correlative rights.

(8) The entire non-standard proration unit may reasonably be presumed productive of oil from the West Lindrith Gallup-Dakota Oil Pool and the entire non-standard oil proration unit can be efficiently and economically drained and developed by the aforesaid well.

(9) Approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the oil in the West Lindrith Gallup-Dakota Oil Pool, will prevent the economic loss caused by the drilling of unnecessary wells and avoid the augmentation of risk arising from the drilling of an excessive number of wells.

IT IS THEREFORE ORDERED THAT:

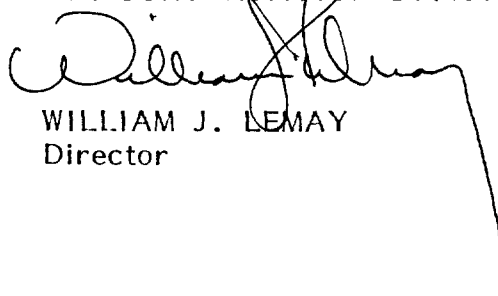
(1) A 160-acre non-standard oil proration unit in the West Lindrith Gallup-Dakota Oil Pool comprising the S/2 NE/4 and N/2 SE/4 of Section 2, Township 25 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, is hereby established and dedicated to a well to be drilled at a standard oil well location in Unit H of said Section 2.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

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