Entered October 5,1960 11.

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. 2077 Order No. R-1783

APPLICATION OF EL PASO NATURAL GAS COMPANY AND SINCLAIR OIL & GAS COMPANY FOR TWO 191-ACRE NON-STANDARD GAS UNITS IN THE SOUTH BLANCO-PICTURED CLIFFS GAS POOL, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 21, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 3rd day of October, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 the applicant, El Paso Natural Gas Company, is the operator of Federal Lease SF 080472-A which comprises all of Section 18, Township 24 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, by virtue of its right to an assignment of the oil and gas operating rights in said lease from the applicant, Sinclair Oil & Gas Company.
- (3) That the Tonkin Federal Well No. 3 is located 1470 feet from the North line and 1750 feet from the East line of said Section 18, and that the Tonkin Federal Well No. 4 is located 1500 feet from the South line and 990 feet from the East line of said Section 18.
- (4) That it is proposed to dedicate lots 1 and 2, containing a total of 31.30 acres, more or less, and comprising the NW/4 of said Section 18, together with the NE/4 of said Section 18,

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to the above-described Tonkin Federal Well No. 3, thereby establishing a non-standard gas proration unit of 191.30 acres in the South Blanco-Pictured Cliffs Gas Pool.

- (5) That it is further proposed to dedicate lots 3 and 4, containing a total of 31.42 acres, more or less, and comprising the SW/4 of said Section 18, together with the SE/4 of said Section 18, to the above-described Tonkin Federal Well No. 4, thereby establishing a non-standard gas proration unit of 191.42 acres in the South Blanco-Pictured Cliffs Gas Pool.
- (6) That all of the acreage to be dedicated to the two proposed non-standard gas proration units can reasonably be presumed to be productive of gas from the South Blanco-Pictured Cliffs Gas Pool.
- (7) That creation of the two proposed non-standard gas proration units is necessitated by a deviation in the Public Land Survey.
- (8) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

- (1) That a 191.30-acre non-standard gas proration unit in the South Blanco-Pictured Cliffs Gas Pool, consisting of the NE/4 and lots 1 and 2 of Section 18, Township 24 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the Tonkin Federal Well No. 3, located 1470 feet from the North line and 1750 feet from the East line of said Section 18.
- (2) That a 191.42-acre non-standard gas proration unit in the South Blanco-Pictured Cliffs Gas Pool, consisting of the SE/4 and lots 3 and 4 of Section 18, Township 24 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the Tonkin Federal Well No. 4, located 1500 feet from the South line and 990 feet from the East line of said Section 18.
- (3) That each of the above-described non-standard gas proration units shall be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard gas proration unit bears to the acreage in a standard gas proration unit in the South Blanco-Pictured Cliffs Gas Pool, subject to the provisions of the Special Rules and Regulations for said pool.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs, Chairman

MURRAY E. MORGAN, Member

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

SEAL

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