

*Entered April 5, 1961
C.P.*

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. 2226
Order No. R-1926

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN UNORTHODOX OIL WELL
LOCATION, AND FOR A NON-STANDARD OIL
PRORATION UNIT, 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 March 22, 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 28th day of March, 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 the applicant, Pan American Petroleum Corporation, seeks the establishment of a 51.86-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool, consisting of Lots 9 and 10 of Section 17, plus the remaining acreage in the SE/4 of said Section 17 which lies South of the mid-channel of the San Juan River, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.

(3) That the proposed non-standard oil proration unit can reasonably be presumed to be productive of oil from the Cha Cha-Gallup Oil Pool.

(4) That the applicant seeks approval of an unorthodox oil well location in said pool at a point 310 feet from the South line and 2030 feet from the East line of said Section 17, to which well the above-described non-standard oil proration unit would be dedicated.

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(5) That the proposed unorthodox location is necessitated by topographical conditions as well as by the smallness and shape of the non-standard unit.

(6) That establishment of the above-described non-standard oil proration unit and approval of the unorthodox oil well location will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 51.86-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool, consisting of Lots 9 and 10 of Section 17, plus the remaining acreage in the SE/4 of said Section 17 which lies South of the mid-channel of the San Juan River, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, is hereby established.

PROVIDED HOWEVER, That in the event an official survey changes the amount of acreage in the tract designated as the unit, the acreage to be allocated to the unit for allowable purposes shall correspond to the change.

(2) That the applicant, Pan American Petroleum Corporation, is hereby authorized to locate an oil well at an unorthodox location in the Cha Cha-Gallup Oil Pool at a point 310 feet from the South line and 2030 feet from the East line of said Section 17, to which well the above-described non-standard oil proration unit shall be dedicated.

(3) That the allowable which will be assigned to said well shall bear the same ratio to a standard allowable in the Cha Cha-Gallup Oil Pool as 51.86 bears to 80.

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

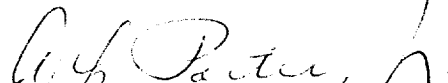
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

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