Contered Honomber 9, 1961 Cepp. 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. 2412

Order No. R-2110

APPLICATION OF VAL R. REESE & ASSOCIATES, INC., FOR A NON-STANDARD GAS PRORATION UNIT AND FOR AN UNORTHODOX GAS WELL LOCATION, 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 October 25, 1961, 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 <u>lst</u> day of November, 1961, 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, Val R. Reese & Associates, Inc., is the owner and operator of the NE/4 of Section 9, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.
- That the applicant seeks the establishment of a 152.02acre non-standard gas proration unit in an undesignated Gallup pool consisting of the NE/4 of said Section 9, resulting from a deviation in the United States Public Land Survey.
- (4) That the applicant further seeks permission to dedicate the above-described 152.02-acre unit to its Benn Well No. 1-9, located at an unorthodox location 2210 feet from the North line and 330 feet from the East line of said Section 9.
- (5) That the said Benn Well No. 1-9 was staked and drilled as a Gallup oil well, but the evidence at hand to date indicates it was completed as a Gallup gas well.

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

IT IS THEREFORE ORDERED:

- (1) That a 152.02-acre non-standard gas proration unit in an undesignated Gallup pool is hereby established comprising the NE/4 of Section 9, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.
- (2) That the acreage factor for allowable purposes assigned to the above-described 152.02-acre non-standard gas proration unit shall bear the same ratio to a standard acreage factor as the acreage in said unit bears to 160 acres.
- (3) That the applicant, Val R. Reese & Associates, Inc., is hereby authorized to dedicate the above-described 152.02-acre non-standard gas proration unit to its Benn Well No. 1-9, located at an unorthodox location 2210 feet from the North line and 330 feet from the East line of said Section 9.
- (4) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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

SEAL