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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. 4187 Order No. R-3817

APPLICATION OF AZTEC OIL & GAS COMPANY FOR THE AMENDMENT OF ADMINISTRATIVE ORDER NWU-341 AND COMMISSION ORDER NO. R-2046, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 6, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>14th</u> day of August, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Administrative Order NWU-341, dated December 14, 1959, established ten non-standard gas proration units in the Blanco-Mesaverde Gas Pool in Sections 7, 8, 9, 10, 11, 12, 18, 19, 30, and 31, Township 32 North, Range 8 West, NMPM, San Juan County, New Mexico.

(3) That Commission Order No. R-2046, dated August 14, 1961, established, among the establishment of other non-standard gas proration units, ten non-standard gas proration units in the Basin-Dakota Gas Pool in Sections 7, 8, 9, 10, 11, 12, 18, 19, 30 and 31, Township 32 North, Range 8 West, NMPM, San Juan County, New Mexico. -2-CASE No. 4187 Order No. R-3817

(4) That the aforesaid non-standard Blanco-Mesaverde and Basin-Dakota gas proration units are not coextensive.

(5) That the applicant, Aztec Oil & Gas Company, seeks to amend the aforesaid orders in such a manner as to permit the establishment of eight coextensive non-standard Blanco-Mesaverde and Basin-Dakota gas proration units in said Sections 7, 8, 9, 10, 11, 12, and 18.

(6) That Administrative Order NWU-341 should be amended by the deletion of Units 2, 3, 4, 5, 6, and 7 from the non-standard gas proration units approved therein for the Blanco-Mesaverde Pool in Township 32 North, Range 8 West.

(7) That Commission Order No. R-2046 should be amended by the deletion of Tracts A, B, C, D, E, F, G, and H from the non-standard gas proration units approved in said order for the Basin-Dakota Gas Pool in Township 32 North, Range 8 West.

(8) That eight coextensive non-standard Blanco-Mesaverde and Basin-Dakota gas proration units in Township 32 North, Range 8 West, NMPM, San Juan County, New Mexico, should be established as follows:

TRACT	ACREAGE		DESCRIPTION
I	314.78	Section 7:	Lots 1, 2, 3, 4, 5, 6, E/2 SW/4, and SE/4
II	375.07	Section 8:	Lots 1, 2, 5, 6, 7, 8, E/2 SW/4, and SE/4
III	382.84	Section 9:	Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and W/2 SW/4
IV	290.69	Section 10:	Lots 6, 7, 8, 9, 10, 11, 14, 15, and 16
V	293.65	Section 10:	Lots 5, 12, and 13
		Section 11:	Lots 7, 8, 9, 10, 15, and 16

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TRACT	ACREAGE		DESCRIPTION
VI	299.89	Section 11:	Lots 5, 6, 11, 12, 13, and 14
		Section 12:	Lots 8, 9, and 16
VII	322.34	Section 12:	Lots 5, 6, 7, 10, 11, 12, 13, 14, and 15
VIII	271.65	Section 18:	N/2

(9) That the deletion of the above-described non-standard gas proration units from Administrative Order NWU-341 and Commission Order No. R-2046 and the establishment of the eight above-described non-standard gas proration units will aid in systematic development of the subject pools, ease the administrative burden upon the operator thereby preventing waste and will not violate correlative rights.

IT IS THEREFORE ORDERED:

(1) That Administrative Order NWU-341 is hereby amended by the deletion of Units 2, 3, 4, 5, 6, and 7 from the non-standard gas proration units approved therein for the Blanco-Mesaverde Pool in Township 32 North, Range 8 West, NMPM, San Juan County, New Mexico.

(2) That Commission Order No. R-2046 is hereby amended by the deletion of Tracts A, B, C, D, E, F, G, and H from the nonstandard gas proration units approved therein for the Basin-Dakota Pool in Township 32 North, Range 8 West, NMPM, San Juan County, New Mexico.

(3) That the following-described non-standard gas proration units in the Blanco-Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico, are hereby established:

	TOWNSHIP 32	NORTH, RANGE	8 WEST, NMPM	
TRACT	ACREAGE		DESCRIPTION	
I	314.78	Section 7:	Lots 1, 2, 3, 4,	5,6,

E/2 SW/4, and SE/4

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TRACT	ACREAGE		DESCRIPTION
II	375.07	Section 8:	Lots 1, 2, 5, 6, 7, 8, E/2 SW/4, and SE/4
III	382.84	Section 9:	Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and W/2 SW/4
IV	290.69	Section 10:	Lots 6, 7, 8, 9, 10, 11, 14, 15, and 16
v	293.65	Section 10:	Lots 5, 12, and 13
		Section 11:	Lots 7, 8, 9, 10, 15, and 16
VI	299.89	Section 11:	Lots 5, 6, 11, 12, 13, and 14
		Section 12:	Lots 8, 9, and 16
VII	322.34	Section 12:	Lots 5, 6, 7, 10, 11, 12, 13, 14, and 15
VIII	271.65	Section 18:	N/2

(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 hereinabove designated.

Α.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION DAVID F. CARGO, Chairman ALEX J. ARMIJO, Member

N

L. PORTER, Jr., Member & Secretary

SEAL

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