

*Entered September 10, 1970*  
*R.F.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. 4419  
Order No. R-4028

APPLICATION OF BILLINGS, KEYSER AND  
KENNEDY FOR A NON-STANDARD GAS PRORA-  
TION UNIT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 2, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of September, 1970, 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 the applicants, Billings, Keyser and Kennedy, are the operators of leases comprising the NW/4 of Section 2 and Lots 1, 2 and 3 and the SE/4 NE/4 of Section 3, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That the applicants seek approval of a 320-acre non-standard gas proration unit comprising all of the above-described acreage to be dedicated to a wildcat gas well to be drilled in said Lot 1 to the Morrow formation.

(4) That the unorthodox shape of the proposed 320-acre non-standard gas proration unit is due to the configuration of the leases held by the applicants.

(5) That a non-standard gas proration unit comprising the NW/4 of Section 2 and Lots 1, 2 and 3 and the SE/4 NE/4 of Section 3, said Township and Range can be efficiently and economically drained and developed by a well located approximately in the center of said Lot 1.

-2-

CASE No. 4419

Order No. R-4028

(6) That approval of the 320-acre non-standard gas proration unit as requested by the applicants will afford the applicants the opportunity to produce their just and equitable share of gas from the Morrow formation, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard proration unit comprising the NW/4 of Section 2 and Lots 1, 2 and 3 and the SE/4 NE/4 of Section 3, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, is hereby established for the production of gas from the Morrow formation and dedicated to a wildcat well to be drilled within 150 feet of the center of said Lot 1.

(2) 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.

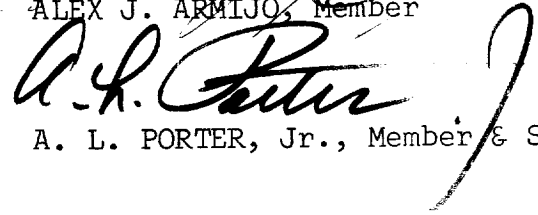
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



DAVID F. CARGO, Chairman



ALEX J. ARMIJO, Member



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

S E A L

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