

*Entered November 23, 1970
R.H.R.*

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. 4451
Order No. R-4066

APPLICATION OF UNION OIL COMPANY
OF CALIFORNIA FOR A NON-STANDARD
OIL PRORATION UNIT, ROOSEVELT
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on November 18, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of November, 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 applicant, Union Oil Company of California, is the owner of a lease or leases comprising, among other lands, the SW/4 SE/4 of Section 17 and the NW/4 NE/4 of Section 20, Township 8 South, Range 38 East, NMPM, Roosevelt County, New Mexico.

(3) That the applicant seeks approval of an 80-acre non-standard oil proration unit in the Bluit-San Andres Associated Pool comprising the above-described acreage to be dedicated to a well to be drilled at a standard location in the NW/4 NE/4 of said Section 20.

(4) That said NW/4 NE/4 of Section 20 comprising all of the interest in said Section 20 owned by the applicant.

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(5) That attempts to pool said NW/4 NE/4 with the NE/4 NE/4 of said Section 20 on a voluntary basis in order to form a standard 80-acre proration unit comprising the N/2 NE/4 of said Section 20 have been unsuccessful.

(6) That the entire non-standard oil proration unit requested by the applicant may reasonably be presumed to be productive of oil from the Bluitt-San Andres Associated Pool and can be efficiently and economically drained and developed by the aforesaid well.

(7) That approval of the 80-acre non-standard oil proration unit as requested by the applicant will afford the applicant the opportunity to produce its just and equitable share of the oil in the Bluitt-San Andres Associated Pool, 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:

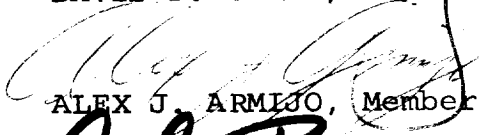
(1) That an 80-acre non-standard oil proration unit in the Bluitt-San Andres Associated Pool comprising the SW/4 SE/4 of Section 17 and the NW/4 NE/4 of Section 20, Township 8 South, Range 38 East, NMPM, Roosevelt County, New Mexico, is hereby established and dedicated to a well to be drilled at a standard location in the NW/4 NE/4 of said Section 20.

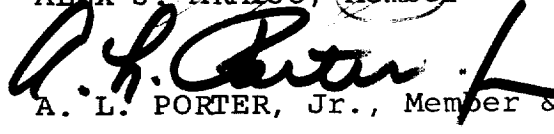
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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. ARMILLO, Member


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

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