

*Entered September 22, 1972*  
*Q.L.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. 4811  
Order No. R-4401

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR A NON-STANDARD PRORATION  
UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of September, 1972, 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, Atlantic Richfield Company, was authorized, by Order No. R-3929, a non-standard proration unit in the Blinebry Gas Pool comprising the N/2 S/2 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, dedicated simultaneously to its State 367 Wells No. 2 and 3, located in Units L and K, respectively, of said Section 36.

(3) That said Well No. 2 has been reclassified as an oil well in the Blinebry Pool.

(4) That the applicant seeks approval of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the NE/4 SW/4 and N/2 SE/4 to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.

(5) That the non-standard gas proration unit requested by the applicant may reasonably be presumed to be productive of gas from the Blinebry Gas Pool and can be efficiently and economically drained and developed by the aforesaid well.

-2-

CASE NO. 4811

Order No. R-4401

(6) That approval of the 120-acre non-standard gas proration unit as requested by the applicant will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas 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.

(7) That Order No. R-3929 should be placed in abeyance.

IT IS THEREFORE ORDERED:

(1) That, effective as of September 1, 1972, a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 SE/4 and the NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Atlantic Richfield Company State 367 Well No. 3, located in Unit K of said Section 36.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 120-acres.

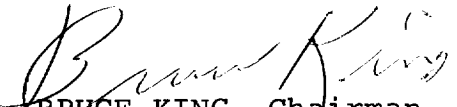
(3) That the status of said non-standard unit shall be the status, as of September 1, 1972, of the 160-acre unit previously authorized by Order No. R-3929.

(4) That Order No. R-3929, is hereby placed in abeyance.

(5) 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

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

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

S E A L

dr/