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. 904 Order No. R-658

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER ESTABLISHING SIX UNORTHODOX GAS PRORATION UNITS IN THE AZTEC-PICTURED CLIFFS GAS POOL, SAN JUAN COUNTY, NEW MEXICO, ALONG THE NORTH LINE OF TOWNSHIP 28 NORTH, RANGE 9 WEST, AND TOWNSHIP 28 NORTH, RANGE 10 WEST, SAID NON-STANDARD UNITS BEING CAUSED BY THE IRREGULAR SURVEY IN TOWNSHIP 28 NORTH.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this day of July, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to the provisions of Rule 6 (a) of the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool of Order No. R-565, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That it is advisable to establish the size of the drilling and proration units in the fractional sections on the north border of Township 28 North, Range 10 West and Township 28 North, Range 9 West, that are within the horizontal boundaries of the Aztec-Pictured Cliffs Gas Pool as follows:

> (a) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM E/2 Section 10 and W/2 W/2 of Section 11

containing 195.08 acres more or less.

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- (b) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM $\overline{E 3/4}$ of Section 11 containing 197.08 acres more or less
- (c) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM W 3/4 of Section 12 containing 202. 82 acres more or less
- (d) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM E/2 E/2 of Section 12 and

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM W/2 of Section 7 containing 189.60 acres more or less

- (e) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM E/2 of Section 7 and W/2 W/2 of Section 8 containing 207.16 acres more or less
- (f) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM <u>E 3/4 of Section 8</u> containing 205.08 acres more or less

(4) That the formation of the aforementioned drilling and proration units in said fractional sections would be in the interests of conservation and orderly development and would protect correlative rights.

(5) That in the absence of an objection from the United States Geological Survey, under whose direct supervision said acreage would fall, the aforementioned drilling and proration units should be established.

(6) That no objection was received from the United States Geological Survey.

IT IS THEREFORE ORDERED:

1. That drilling and proration units in the Aztec-Pictured Cliffs Gas Pool, described as follows:

- (a) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM E/2 Section 10 and W/2 W/2 of Section 11 containing 195.08 acres, more or less
- (b) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM East three quarters of Section 11 containing 197.08 acres, more or less
- (c) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM W 3/4 of Section 12 containing 202.82 acres, more or less

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(d) TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM E/2 E/2 of Section 12 and

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM W/2 of Section 7 containing 189.60 acres, more or less

- (e) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM E/2 of Section 7 and W/2 W/2 of Section 8 containing 207.16 acres, more or less
- (f) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM E 3/4 of Section 8 containing 205.08 acres, more or less

be and the same hereby are created.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

7 Su JOHN F. SIMMS, Chairman

WB. MACEY, Member and Secretary

SEAL

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