

Entered March 6, 1981
JWR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7148
Order No. R-6617

APPLICATION OF TWIN MONTANA OIL
COMPANY FOR A NON-STANDARD OIL
PRORATION UNIT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Twin Montana Oil Company, seeks approval of an 80-acre non-standard oil proration unit comprising the S/2 NE/4 of Section 3, Township 9 South, Range 35 East, NMPM, to be dedicated to its Webb Federal Well No. 1, located in Unit G of said Section 3.

(3) That the entire non-standard proration unit may reasonably be presumed productive of oil from the Vada-Pennsylvanian Pool and that the entire non-standard oil proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the oil in the Vada-Pennsylvanian Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will

-2-

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otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard oil proration unit in the Vada-Pennsylvanian Pool comprising the S/2 NE/4 of Section 3, Township 9 South, Range 35 East, NMPM, Lea County, New Mexico, is hereby established for Twin Montana Oil Company and dedicated to its Webb Federal Well No. 1, located in Unit G of said Section 3.

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

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

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