Entered August 26, 1981

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. 7324 Order No. R-6763

APPLICATION OF BENSON-MONTIN-GREER DRILLING CORPORATION FOR A NON-STANDARD GAS PRORATION UNIT, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 12, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>26th</u> day of August, 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, Benson-Montin-Greer Drilling Corporation, seeks approval of a 240.01-acre non-standard gas proration unit comprising the N/2 of Section 31, Township 32 North, Range 13 West, NMPM, to be dedicated to a well drilled at a standard location thereon.
- (3) That said non-standard gas proration unit results from a correction in the U.S. Public Lands Survey.
- (4) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Ute Dome-Dakota Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.
- (5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable



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share of the gas in the Ute Dome-Dakota Gas 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That a 240.01-acre non-standard gas proration unit for Benson-Montin-Greer Drilling Corporation in the Ute Dome-Dakota Gas Pool comprising the N/2 of Section 31, Township 32 North, Range 13 West, NMPM, San Juan County, New Mexico, is hereby established and dedicated to a well to be drilled at a standard location thereon.
- (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 hereinabove designated.

STATE OF NEW MEXICO QIL CONSERVATION DIVISION

JOE D. RAMEÝ Director

SEAL

