

Entered October 24, 1955
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 940
Order No. R-698

THE APPLICATION OF ANGELS PEAK
OIL COMPANY AND CONGRESS OIL
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 6 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE FULCHER KUTZ-
PICTURED CLIFFS GAS POOL OF ORDER NO.
R-565 IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 192.97 CONTIGUOUS
ACRES CONSISTING OF E/2 E/2 OF FRACTIONAL
SECTION 12, TOWNSHIP 28 NORTH, RANGE 11
WEST AND W/2 OF FRACTIONAL SECTION 7,
TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM.,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 17, 1955, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13th day of October, 1955, the Commission, a quorum being present, having considered the records and 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 provisions of Rule 6 (a) of the Special Rules and Regulations for the Fulcher Kutz-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 applicant's propose to establish a non-standard gas proration unit in the Fulcher Kutz-Pictured Cliffs Gas Pool, to consist of the following acreage:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
W/2 of fractional Section 7

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
E/2 E/2 of fractional Section 12

containing 192.97 acres, more or less.

(4) That applicant, Angels Peak Oil Company has a producing well known as Angels Peak No. 19, located 990 feet from the North line and 990 feet from the East line of fractional Section 12, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico.

(5) That the aforesaid well has been completed and is producing within the horizontal limits or within one mile of the heretofore delineated and designated limits of the Fulcher Kutz-Pictured Cliffs Gas Pool.

(6) That applicant, Angels Peak Oil Company is the owner of the leasehold interest in the E/2 E/2 of fractional Section 12, Township 28 North, Range 11 West, and Congress Oil Company is the owner of the leasehold interest in the W/2 of fractional Section 7, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico.

(7) That on approval of this application, applicants propose to enter into communitization and operating agreements of standard form communitizing subject acreage and designating Angels Peak Oil Company as operator.

(8) That unless a proration unit consisting of aforesaid acreage is permitted, applicants will be deprived of the opportunity to recover their just and equitable share of the natural gas in the Fulcher Kutz-Pictured Cliffs Gas Pool.

(9) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Angels Peak Oil Company and Congress Oil Company for approval of a non-standard proration unit consisting of the following described acreage in the Fulcher Kutz-Pictured Cliffs Gas Pool:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
W/2 fractional Section 7

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
E/2 E/2 fractional Section 12

a total of 192.97 acres,

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

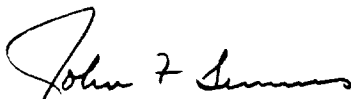
-3-

Order No. R-698

(2) That applicant's well, Angels Peak No. 19, located in the Fulcher Kutz-Pictured Cliffs Gas Pool, 990 feet from the north line and 990 feet from the East line in the NE/4 NE/4 of fractional Section 12, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico, shall be granted an allowable in the proportion that the above described 192.97 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

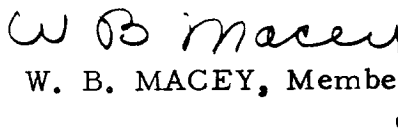
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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