

Entered August 19, 1982
JLR

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. 7631
Order No. R-7054

APPLICATION OF MERRION OIL & GAS
CORPORATION FOR A NON-STANDARD PRORATION
UNIT, RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 4, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of August, 1982, 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, Merrion Oil & Gas Corporation, seeks approval of a 160-acre non-standard proration unit comprising the N/2 SE/4 and SW/4 SE/4 of Section 5, and the NW/4 NE/4 of Section 8, Township 23 North, Range 6 West, NMPM, to be dedicated to its Rita Well No. 2 located in Unit O of said Section 5.

(3) That the entire non-standard proration unit may reasonably be presumed productive from the Counselors-Gallup Oil Pool and that the entire non-standard 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 its just and equitable share of the oil and gas in the Counselors-Gallup Oil 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.

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IT IS THEREFORE ORDERED:

(1) That Merrion Oil and Gas Corporation is hereby authorized a 160-acre non-standard proration unit in the Counselors-Gallup Oil Pool comprising the N/2 SE/4 and SW/4 SE/4 of Section 5, and the NW/4 NE/4 of Section 8, Township 23 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, to be dedicated to its Rita Well No. 2 located in Unit 0 of said Section 5.

(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
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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