Entered March 29, 1954

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. 8099 Order No. R-7479

APPLICATION OF JOHN S. GOODRICH FOR COMPULSORY POOLING OR NON-STANDARD PRORATION UNIT, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 14, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>29th</u> day of March, 1984, 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, John S. Goodrich, seeks an order pooling all mineral interests in the Southeast Chaves Queen Gas Area underlying the W/2 of Section 4, Township 13 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. In the alternative, applicant seeks approval of a 160-acre non-standard gas proration unit comprising the NW/4 of said Section 4.

(3) That the applicant has requested that that portion of this order dealing with the compulsory pooling be <u>dismissed</u>.

(4) That the entire 160-acre non-standard proration unit may reasonably be presumed productive of gas from the Southeast Chaves Queen Gas Area and that the entire non-standard gas 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

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share of the gas in the Southeast Chaves Queen Gas Area, 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:

(]) That the application of John S. Goodrich for a 160-acre non-standard gas proration unit in the Southeast Chaves Queen Gas Area comprising the NW/4 of Section 4, Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico, is hereby approved, said unit to be dedicated to a well to be drilled at a standard location thereon.

(2) That that portion of the application requesting compulsory pooling is hereby <u>dismissed</u>.

(3) 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 Algorithmy JOE D. RAMEY, Director

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