

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 2439
Order No. R-2137

APPLICATION OF SUNRAY MID-CONTINENT
OIL COMPANY FOR A 67.04-ACRE NON-
STANDARD OIL PRORATION UNIT AND AN
UNORTHODOX WELL LOCATION, 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 November 29, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of December, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sunray Mid-Continent Oil Company, proposes the establishment of a 67.04-acre non-standard oil proration unit in the Totah-Gallup Oil Pool, comprising Lots 2, 3, and 4 of Section 14, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.

(3) That the applicant further proposes to dedicate said unit to a well to be drilled at an unorthodox location 330 feet from the North line and 2510 feet from the West line of said Section 14.

(4) That the area of the San Juan River Channel lying North of the mid-channel and adjacent to the above-described 67.04-acre non-standard oil proration unit and consisting of 7.84 acres is unleased Federal land which should be eligible for communitization with the said 67.04-acre non-standard oil proration unit at such time as it is leased.

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(5) That the entire 67.04-acre tract can reasonably be presumed to be productive of oil from the Totah-Gallup Oil Pool.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 67.04-acre non-standard oil proration unit in the Totah-Gallup Oil Pool comprising Lots 2, 3, and 4 of Section 14, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, is hereby established.

PROVIDED HOWEVER, That the area of the San Juan River Channel lying North of the mid-channel and adjacent to the above-described 67.04-acre non-standard oil proration unit and consisting of 7.84 acres shall be eligible for communitization with the said 67.04-acre non-standard oil proration unit at such time as it is leased.

(2) That the applicant, Sunray Mid-Continent Oil Company, is hereby authorized to dedicate said 67.04-acre non-standard oil proration unit to a well to be drilled at an unorthodox location 330 feet from the North line and 2510 feet from the West line of said Section 14.

(3) That the allowable assigned to the above-described 67.04-acre non-standard oil proration unit shall bear the same ratio to a standard allowable in the Totah-Gallup Oil Pool as the acreage in said unit bears to 80.

(4) That in the event it is determined by an official re-survey, or otherwise, that the acreage in said proration unit is greater or smaller than 67.04 acres, the acreage to be allocated to said unit shall correspond to the change.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

S E A L

E. S. WALKER, Member

esr/