

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

for settlement

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7319
Order No. R-6760

APPLICATION OF CONSOLIDATED OIL
& GAS, INC. FOR SIX 160-ACRE
MESAVERDE PRORATION UNITS, 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 26th 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, Consolidated Oil & Gas, Inc.,
seeks approval of six 160-acre non-standard gas proration units
in the Blanco Mesaverde Pool, said units to comprise the NW/4
and SW/4 of Section 18 and the SW/4 and SE/4 of Section 7, both
in Township 31 North, Range 12 West, and the NE/4 and SE/4 of
Section 3, Township 31 North, Range 13 West, each unit to be
dedicated to an existent well already drilled thereon.

(3) That the aforesaid six non-standard proration units
would be created by splitting three standard 320-acre units,
each of which has an original well, and an infill well thereon,
and is occasioned by certain administrative problems relating
to well names and numbers.

(4) That the creation of the six non-standard units out
of three standard units will not cause waste nor impair correla-
tive rights and should be approved provided however provision



should be made for administrative abolishment of the non-standard units and reversion to standard units in the event allowable and over/under production problems should render the smaller size units impracticable.

IT IS THEREFORE ORDERED:

(1) That six 160-acre non-standard gas proration units in the Blanco Mesaverde Pool, San Juan County, New Mexico, are hereby created and dedicated to wells as follows:

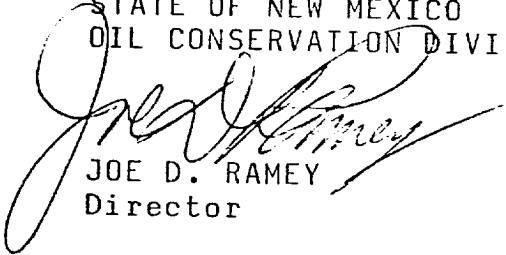
<u>Unit Description</u>	<u>Dedicated Well</u>
SW/4 Sec. 07, Twp 31N, Rge 12W	Owen No. 1, Unit M ✓
SE/4 Sec. 07, Twp 31N, Rge 12W	Gross No. 1, Unit I ✓
NW/4 Sec. 18, Twp 31N, Rge 12W	Arnstein No. 1, Unit B ✓ K
SW/4 Sec. 18, Twp 31N, Rge 12W	Reid No. 1, Unit M ✓
NE/4 Sec. 03, Twp 31N, Rge 13W	Alberding No. 1, Unit A ✓
SE/4 Sec. 03, Twp 31N, Rge 13W	Landauer No. 1, Unit H ✓

(2) That the Division Director shall have the authority to administratively cancel any pair of the aforesaid non-standard proration units and revert the affected lands back to a standard 320-acre proration unit upon a showing by the operator that allowable and/or over/under production problems are resulting from the size of the non-standard units, in which case the Division's standard well name and number system will be applicable.

(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


JOE D. RAMEY
Director

S E A L
fd/