CASE 2096: Application of the OCC
on its own motion to establish non-
standard proration units in Dakota
Producing Interval in fractional Secs.

Case No.

2096

Application, Transcript, Small Exhibits, Etc.

RANGE 12 WEST

| 25.44 | 28.54 | 28.50 | 28.52 | 28.55 | 28.45 | 28.35 | 28.17 | 28.15 | 28.13 | 28.11 | 28.03 | 27.90 | 27.72 | 27.55 | 27.56 | 27.58 | 27.60 | 27.60 | 27.60 |
| 35.62 | 40.00 | | | | | | | | | | | | | | | | | | |

354.12   340.91   366.45   337.58

| 7 | 80.00 | 8 | 80.00 | 9 | 80.00 | 10 | 80.00 | 11 | 80.00 | 12 | 80.00 |
| 266.70 | | 273.87 | | 272.56 | | 271.32 | | 270.32 | | 270.40 | |

RANGE 13 WEST

| 14.88 | 18.24 | 23.45 | 28.48 | 29.86 | 29.88 | 29.88 | 29.90 | 29.78 | 29.54 | 29.30 | 29.06 | 28.92 | 28.86 | 28.76 | 29.76 | 28.82 | 28.86 | 28.92 | 28.92 | 28.87 | 28.81 | 28.78 |
| 47.50 | 40.00 | | | | | | | | | | | | | | | | | | | | | |

362.41   378.28   344.42   344.28   364.58

| 7 | 80.00 | 8 | 80.00 | 9 | 80.00 | 10 | 80.00 | 11 | 80.00 | 12 | 80.00 |
| 252.55 | | 279.52 | | 277.68 | | 275.36 | | 275.36 | | 275.40 | |

RANGE 10 WEST

RANGE 11 WEST

| 321.95 | | 319.67 | | 322.88 | | 327.29 | | 322.94 |

24.24 | 23.60 | 24.12 | 24.05 | 23.94 | 23.90 | 23.84 | 23.91 | 24.08 | 24.26 | 24.43 | 24.59 | 24.73 | 24.87 | 25.01 | 25.20 | 25.45 | 25.69 | 25.94 | 26.48 | 27.88 | 28.46 | 27.29

41.94 | 40.00

7
257.95

8
255.68

9
255.68

10
259.20

11
262.28

12
270.11

80.00 (repeated)

335.17 | 333.55 | 328.45 | 323.29 | 318.14

26.68 | 27.55 | 27.53 | 26.90 | 25.87 | 26.46 | 27.55 | 27.44 | 26.23 | 26.05 | 25.99 | 25.92 | 25.32 | 25.17 | 25.01 | 24.85 | 24.68 | 24.47 | 24.27 | 24.06 | 23.85 | 23.63 | 23.41 | 23.15

38.91 | 40.30 | 80.00

7
267.42

8
267.32

9
264.19

10
260.36

11
257.68

12
254.08

RANGE 8 WEST

| 33.17 | 36.74 | 36.54 | 36.34 | 36.05 | 35.69 | 35.31 | 34.95 | 34.68 | 34.53 | 34.37 | 34.22 | 33.97 | 33.63 | 33.29 | 32.95 | 32.83 | 32.94 | 33.04 | 33.15 | 33.32 | 33.55 | 34.04 |

35.97 | 40.00

341.36 — 333.84 — 335.11 — 331.76 — 327.87

7 / 298.76   8 / 302.00   9 / 297.80   10 / 293.84   11 / 291.96   12 / 294.72

80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00

RANGE 9 WEST

| 22.46 | 29.48 | 29.27 | 29.06 | 28.84 | 28.60 | 28.36 | 28.12 | 28.00 | 28.02 | 28.04 | 27.93 | 27.70 | 27.48 | 27.25 | 26.98 | 26.88 | 26.77 | 26.74 | 26.29 | 27.81 | 28.44 |

30.37 | 40.00

345.25 — 340.52 — 338.40 — 334.46 — 312.28

7 / 260.64   8 / 273.92   9 / 272.08   10 / 270.36   11 / 267.72   12 / 269.88

80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00   80.00

RANGE 7 WEST

36.81	36.70	36.59	36.41	36.14	35.88	35.61	35.34	35.05	34.73	34.48	34.26	34.10	33.94	33.78	33.58	33.32	33.06	32.82	32.35	32.25	31.95	31.65

80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
7	8	9	10	11	12

299.21   304.04   299.64   296.08   292.80   288.40

30.66	30.72	30.76	30.82	30.81	30.74	30.68	30.61	30.59	30.59	30.60	30.57	30.50	30.44	30.37	30.30	30.21	30.13	30.04	29.95	29.86	29.77	3 5.06
80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	4.000	51.40

7	8	9	10	11	12
28296	28284	28236	28188	26068	29904

RANGE 6 WEST

31.44	31.38	31.33	31.29	31.26	31.24	31.21	31.16	31.09	31.01	30.94	30.86	30.84	30.81	30.78	30.72	30.68	30.62	30.60	30.62	30.64
20.03																				
2555	4.000	8.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00

7	8	9	10	11	12
26040	28500	28420	28340	28260	28248

RANGE 3 WEST

12.19	25.56	25.57	25.53	25.42	25.32	25.21	25.17	25.21	25.23	25.27	25.04	24.54	24.12	23.81	23.85	24.06	24.18	24.17	26.13	27.35	28.97
19.09	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
16241		6		5 26148		4 26088		3 25751		2 25626		1 26737

RANGE 4 WEST

17.36	17.55	17.61	17.67	17.66	17.57	17.49	17.40	17.38	17.42	17.46	17.50	17.48	17.40	17.32	17.24	17.20	17.18	7.16	7.14	7.15	7.17	7.19	17.21
39694000.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
22998		7		8 23012		22976		10 22944		11 22860		12 22872

341.36   333.84   335.11   331.76   327.87

| 33.17 | 36.74 | 36.54 | 36.34 | 36.05 | 35.69 | 35.31 | 34.95 | 34.63 | 34.53 | 34.37 | 34.22 | 33.97 | 33.63 | 33.29 | 32.95 | 32.83 | 32.94 | 33.04 | 33.15 | 33.32 | 33.56 | 33.80 | 34.04 |
| 35.97 | 40.00 | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | |

7
293.76

8
302.00

9
297.80

10
293.84

11
291.56

12
294.72

RANGE 9 WEST

345.25   340.52   338.40   334.46   312.26

| 22.46 | 29.48 | 29.27 | 29.06 | 28.84 | 28.60 | 28.36 | 28.12 | 28.00 | 28.02 | 28.04 | 27.93 | 27.70 | 27.48 | 27.25 | 27.09 | 26.98 | 26.88 | 26.77 | 26.74 | 25.89 | 27.81 | 28.44 |
| 30.37 | 40.00 | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | |

7
260.64

8
273.92

9
272.08

10
270.36

11
267.72

12
269.88

RANGE 10 WEST

RANGE 11 WEST

| 24.24 | 23.60 | 24.12 | 24.05 | 23.94 | 23.84 | 23.91 | 24.06 | 24.26 | 24.43 | 24.59 | 24.73 | 24.87 | 25.01 | 25.20 | 25.45 | 25.69 | 25.94 | 26.48 | 27.88 | 28.46 | 27.29 |

321.95 319.67 322.68 322.29 322.94

| 41.94 | 40.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 |

7
257.95

8
255.68

9
256.68

10
259.20

11
252.28

12
270.11

335.17 333.55 328.45 323.29 318.14

| 26.68 | 27.55 | 27.53 | 26.90 | 25.87 | 26.46 | 27.55 | 27.44 | 26.23 | 26.05 | 25.99 | 25.92 | 25.32 | 25.75 | 25.01 | 24.86 | 24.68 | 24.47 | 24.27 | 24.06 | 23.85 | 23.63 | 23.41 | 23.19 |

| 38.91 | 40.00 | 80.00 | 80.30 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 |

7
267.42

8
267.32

9
264.19

10
260.36

11
257.48

12
254.38

RANGE 12 WEST

354.12

340.91

366.46

337.58

| 25.44 | 28.54 | 28.50 | 28.60 | 28.52 | 28.55 | 28.45 | 28.55 | 28.17 | 28.15 | 28.13 | 28.11 | 28.03 | 27.90 | 27.76 | 27.63 | 27.36 | 27.58 | 27.58 | 27.60 | 27.60 | 27.60 | 27.50 |
| 35.52 | 40.00 |

| 7 | 8 | 9 | 10 | 11 | 12 |
| 266.70 | 273.87 | 272.36 | 271.32 | 270.32 | 270.40 |

80.00 (repeated across columns)

RANGE 13 WEST

352.41

378.26

344.42

344.28

364.58

| 14.88 | 18.24 | 23.45 | 28.48 | 29.86 | 29.88 | 29.90 | 29.78 | 29.54 | 29.30 | 29.06 | 28.92 | 28.84 | 28.78 | 29.78 | 28.84 | 28.86 | 28.92 | 28.82 | 28.22 | 28.21 | 28.78 |
| 47.50 | 40.00 |

| 7 | 8 | 9 | 10 | 11 | 12 |
| 252.55 | 279.52 | 277.68 | 275.36 | 275.36 | 275.40 |

80.00 (repeated across columns)

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. 2096
Order No. R- _____

APPLICATION OF THE OIL CONSERVATION
COMMISSION ON ITS OWN MOTION TO
CONSIDER ESTABLISHING NON-STANDARD
GAS PRORATION UNITS IN THE BASIN —
DAKOTA POOL IN CERTAIN ~~FRACTIONAL~~ PARTIAL
SECTIONS, 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
October 13, 1960, at ~~Santa Fe,~~ New Mexico. before the Oil Conser-
vation Commission of New Mexico, hereinafter referred to as the
"Commission."

NOW, on this _____ day of October, 1960, the Commission,
a quorum being present, having considered the testimony presented
and the exhibits received at said hearing, 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, in order to ensure systematic development and
thereby prevent waste and protect correlative rights, the Commis-
sion should establish individual proration units in the Basin -
Dakota Pool in the tier of partial sections lying immediately
South of the Seventh Standard (North Parallel) in Township 28
North, Ranges 8 through 13 West, NMPM, San Juan County, New
Mexico.

(3) That by Order No. R-1628-A an administrative procedure
was established whereby the Commission could establish a non-
standard Dakota gas proration unit consisting of all of partial
Section 7 and the W/2 W/2 of partial Section 8, Township 28 North,
Range 10 West, NMPM, San Juan County, New Mexico, which area should

be excepted from the area divided into non-standard proration

units by this order.

IT IS THEREFORE ORDERED:

(I) 1. That the following-described areas be and the same are

hereby established as non-standard gas proration units in the

Basin-Dakota Pool, San Juan County *and Rio Arriba Counties,* New Mexico.

(1) All of partial Section 7 plus Lot 4 and the S/2

SW/4 of partial Section 8, Township 28 North, Range

13 West, comprising 362.41 acres.

(2) Lots 1, 2 and 3 and the S/2 SE/4 of partial Section

8 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4

of partial Section 9, Township 28 North, Range 13 West,

comprising 378.28 acres.

(3) Lot 1 and the SE/4 SE/4 of partial Section 9 plus

all of Section 10, Township 28 North, Range 13 West,

comprising 344.42 acres.

(4) All of partial Section 11 plus Lot 4 and the SW/4

SW/4 of partial Section 12, Township 28 North, Range

13 West, comprising 344.28 acres.

(5) Lots 1, 2 and 3, the SE/4 SW/4, and the S/2 SE/4

of partial Section 12, Township 28 North, Range 13 West,

plus Lots 2, 3, 4 and 5, and the SE/4 SW/4 of partial

Section 7, Township 28 North, Range 12 West, comprising

364.58 acres.

(6) Lot 1 and the S/2 SE/4 of partial Section 7 plus

Lots 2, 3 and 4 and the S/2 S/2 of partial Section 8,

Township 28 North, Range 12 West, comprising 354.12 acres.

(7) Lot 1 of partial Section 8 plus all of partial

Section 9 plus the SW/4 SW/4 of partial Section 10,

Township 28 North, Range 12 West, comprising 340.91 acres.

(8) Lots 1, 2, 3 and 4, the SE/4 SW/4 and the S/2 SE/4

of partial Section 10 plus Lots 3 and 4 and the S/2

SW/4 of partial Section 11, Township 28 North, Range

12 West, comprising 366.46 acres.

(9) Lots 1 and 2 and the S/2 SE/4 of partial Section 11

plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 12, Township 28 North, Range 12 West, comprising 337.98 acres.

(10) Lot 1 and the SE/4 SE/4 of partial Section 12, Township 28 North, Range 12 West, plus all of partial Section 7, Township 28 North, Range 11 West, comprising 335.02 acres.

(11) All of partial Section 8 plus Lot 4 and the SW/4 SW/4 of partial Section 9, Township 28 North, Range 11 West, comprising 333.55 acres.

(12) Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 9 plus Lots 3 and 4 and the S/2 SW/4 of partial Section 10, Township 28 North, Range 11 West, comprising 328.45 acres.

(13) Lots 1 and 2 and the S/2 SE/4 of partial Section 10 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 11, Township 28 North, Range 11 West, comprising 323.29 acres.

(14) Lot 1 and the SE/4 SE/4 of partial Section 11 plus all of partial Section 12, Township 28 North, Range 11 West, comprising 318.14 acres.

(15) Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 8, plus Lots 3 and 4 and the S/2 SW/4 of partial Section 9, Township 28 North, Range 10 West, comprising 319.67 acres.

(16) Lots 1 and 2 and the S/2 SE/4 of partial Section 9 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 10, Township 28 North, Range 10 West, comprising 322.88 acres.

(17) Lot 1 and the SE/4 SE/4 of partial Section 10 plus all of partial Section 11, Township 28 North, Range 10 West, comprising 327.29 acres.

(18) All of partial Section 12, Township 28 North, Range 10 West, plus Lots 4 and 5 of partial Section 7, Township 28 North, Range 9 West, comprising 322.94 acres.

(19)   Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 7 plus Lots 3 and 4 and the S/2 SW/4 of partial Section 8, Township 28 North, Range 9 West, comprising 345.25 acres.

(20)   Lots 1 and 2 and the S/2 SE/4 of partial Section 8 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 9, Township 28 North, Range 9 West, comprising 340.52 acres.

(21)   Lot 1 and the SE/4 SE/4 of partial Section 9 and all of partial Section 10, Township 28 North, Range 9 West, comprising 338.40 acres.

(22)   All of partial Section 11 plus Lot 4 and the SW/4 SW/4 of partial Section 12, Township 28 North, Range 9 West, comprising 334.46 acres.

(23)   Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 12, Township 28 North, Range 9 West, plus Lots 4 and 5 and the SE/4 SW/4 of partial Section 7, Township 28 North, Range 8 West, comprising 312.28 acres.

(24)   Lots 1, 2 and 3 and the S/2 SE/4 of partial Section 7 plus Lots 3 and 4 and the S/2 SW/4 of partial Section 8, Township 28 North, Range 8 West, comprising 341.36 acres.

(25)   Lots 1 and 2 and the S/2 SE/4 of partial Section 8 plus Lots 2, 3 and 4 and the S/2 SW/4 of partial Section 9, Township 28 North, Range 8 West, comprising 333.84 acres.

(26)   Lot 1 and the S/2 SE/4 of partial Section 9 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 10, Township 28 North, Range 8 West, comprising 335.11 acres.

(27)   Lot 1 and the SE/4 SE/4 of partial Section 10 plus Lots 2, 3 and 4 and the S/2 S/2 of partial Section 11, Township 28 North, Range 8 West, comprising 331.76 acres.

(28) Lot 1 of partial section 11 plus all of partial Section 12, Township 28 North, Range 8 West, comprising 327.87 acres.

~~IT IS~~ That each of the above-described non-standard gas proration units shall be assigned an acreage factor for allowable purposes which shall be the ratio of the acreage in that unit to the acreage in a standard gas proration unit in the Basin Dakota Gas Pool.

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

all in San Juan County, New Mexico

BEFORE THE
OIL CONSERVATION COMMISSION
ELKS' CLUB
801 Municipal Drive
Farmington, New Mexico
October 13, 1960
Case No. 2096

IN THE MATTER OF:)
)
   Application of the Oil Conservation   )
Commission on its own motion to consider   )
establishing non-standard proration units,   )
and/or drilling units in the Dakota Pro-   )
ducing Interval in Fractional Sections   )
Seven through Twelve of each of the follow-)
ing townships: Township 28, North, Ranges)
8 through 13 West, San Juan County, New   )
Mexico, with the exception of the unit   )
created by Order Number R-1628-A.   )

BEFORE:

     Honorable John Burroughs, Governor, State of New Mexico
     Mr. A. L. Porter, Secretary-Director
     Mr. Murray Morgan, Land Commissioner

                    TRANSCRIPT OF HEARING

          MR. PAYNE: Case 2096. Application of the Oil Conserva-

tion Commission on its own motion to consider establishing non-

standard proration units.

          (Witness sworn.)

                    A. R. KENDRICK

called as a witness, having been previously duly sworn, testified

as follows:

                    DIRECT EXAMINATION

BY MR. PAYNE:

Q   Will you state your name, by whom you are employed, and what capacity?

A   A. R. Kendrick, Engineer, for the Oil Conservation Commission.

Q   Mr. Kendrick, what, exactly, is the purpose of the case now being heard?

A   It's to establish a means of orderly development in the Dakota Producing Interval, along this tier of partial Sections, and was created by the Seven Standard Parallel North, or survey correction line.

Q   Now, Mr. Kendrick, are these drill blocks, and/or proration units, standard units under the Dakota Spacing Order?

A   No.

Q   That is the purpose of this hearing?

A   Yes.

Q   What is the variation and size of these units?

A   From about 312 acres to approximately 378 acres.

Q   Have you prepared an Exhibit showing your proposed units?

A   Yes.

Q   That is this Exhibit No. 1?

A   Yes.

Q   Now, would you explain your Exhibit and identify the use of the numbers enclosed thereon?

A   The Exhibit represents the north tier of Sections in Township 28, North, Ranges 8 through 13 West. The numbers on the

Exhibit, the top numbers are the Range numbers West. The next line of numbers is the amount of acreage shown in the proposed unit. Immediately below it, the acreage of the survey sub-divisions are shown in the ruled areas. Immediately below the ruled area, the Section numbers are shown, and the acreage of the Sections are shown immediately below the Section number. The alternating blue and green colors represent the proposed proration units, and/or drill blocks. The orange color is representing a unit, set aside by prior order of the Commission, and the red color underlining the portion of this, a few of these units represent that area included in the Gallegos Canyon unit area.

Q   For the record, Mr. Kendrick, will you state how much acreage is contained in each one of the proposed units?

A   You want the identification of that unit at the same time?

Q   Yes, sir, if you would.

A   Would it suffice the record to give the designation of the acreage by unit letter, rather than a Southwest-Southwest sort of operation?

Q   Either way you desire, Mr. Kendrick.

A   Since my partial Section does not constitute as much as a half-section, I would prefer to use the unit letter system. Beginning at the west end of this in Range 13 West, the first unit would consist of 362.41 acres, being all of partial Section 7 and all of Units L, M, and N of Section 8. The Section unit could

contain 378.28 acres, and contains Units I, J, K, O, and P of Section 8, and J, K, L, M, N, and O of Section 9. The next unit would contain 344.42 acres, being Units I and P of Section 9 and all of partial Section 10. The following units would be 344.28 acres, being all of partial Section 11, Units L and M of Section 12. The next unit would be 364.58 acres, containing Units I, J, K, N, O, and P of Section 12, and Units J, K, L, M, and N in Section 7 of Range 12 West. The next units would contain Units I, O, and P of Section 7, and Units J through P of Section 8, and contains 354.12 acres. The following unit contains 340.91 acres, being Unit I of Section 8, all of partial Section 9, and Unit M of partial Section 10. The next unit would contain 366.46 acres, and would consist of I through L and N, O, and P of Section 10 and Units K through N of Section 11. The next unit would consist of 337.98 acres, and would consist of Units I, J, O and P of Section 11, Units J through O of Section 12. The next unit would consist of 335.02 acres, being Units I and P of Section 12 in Range 12 West, and all of partial Section 7 in Range 11 West. The next unit would consist of 333.55 acres, being all of Section 8 and Units L and M of Section 9. The next unit would contain 328.45 acres, would consist of Units I, J, and K, N, O, and P of Section 9, and Units K through N of Section 10. The next unit would contain 323.29 acres, being Units I and J, O, and P of Section 10, Units J through O of Section 11. The next unit would contain 318.14 acres, being Units I and P of Section 11 and all of Section 12. Skipping the

unit set-up by prior hearing, the next unit would be 319.67 acres, being Units I, J, and K, N, O, and P of Section 8, and Units K through N of Section 9, in Range 10 West. The next units would contain 322.88 acres, being Units I, J, O, and P of Section 9, and J through O of Section 10. The next unit would contain 327.29 acres, consisting of Units I and P of Section 10 and all of Section 11. The next unit would contain 322.94 acres, being all of Section 12, Range 10 West, Units L and M of Section 7, Range 9 West. The next unit would contain 345.25 acres, being Units I, J, and K, N, O, and P of Section 7 and Units K through N of Section 8. The next unit would be 340.52 acres, consisting of Units I, J, O, and P of Section 8, Units J through O of Section 9. The next units would consist of 338 acres, excuse me, 338.40 acres, being Units I, N, and P of Section 9, and all of Section 10. The next units would consist of 334.46 acres, being all of Section 11, and Units L and M of Section 12. The next unit consists of 312.28 acres, being Units I, J, and K, N, O, and P of Section 12, Range 9 West, and Units L, M, and N of Section, Range 8 West. The next units would consist of 341.36 acres, being Units I, J and K, O, and P, of Section 7, and Units K through N of Section 8. The next unit would consist of 333.84 acres, being Units I, J, O, and P of Section 8, Units J, K, L, M, and N of Section 9. The next unit would consist of 335.11 acres, being Units I, O, and P of Section 9, and Units J through O of Section 10. The next unit would consist of 331.76 acres, being Units I and P of Section 10, Units J through P of Section 11. The last unit

would contain 327.87 acres, being Unit A of Section 11 and all of Section 12, Range 8 West.

Q   Mr. Kendrick, have unitized areas been considered in formation of non-standard units?

A   They have.

Q   Would you explain that, please?

A   The area immediately east of the east end of this strip is unitized as direct offset to this. Consequently, the first unit here was established as nearly as possible to standard unit size, without spliting a lot or governmental sub-division as surveyed. Also, in Ranges 11, 12, and 13 West, as underlined by red on this Exhibit, the Gallegos Canyon Unit is represented, the Unit immediately inside the unit boundary. inside the Gallegos Canyon Unit boundary, and the Unit immediately outside, are as near as possible, the same acreage. The largest variation of the two, there are one and a half acres on the east side of the Unit, and the size variation on the west side of the Gallegos Units are less than one-hundredth of one acre.

Q   If a well were to be drilled on each one of these partial Sections, how many wells would that be?

A   Thirty-six.

Q   How many partial Units do you propose?

A   Twenty-nine.

Q   Are there similar partial Sections east or west of those shown on Exhibit 1?

A   There are similar Sections to the east in the unitized area. To the west, the General Land Office has not surveyed that ground, so we don't know for sure if they do exist, or if so, what size they are.

Q   Now, is this your opinion that the formation of these non-standard units at this time will not only benefit the operators, but will benefit the Commission by ease of administration?

A   Yes.

Q   Have you considered lease ownership in the proposed units?

A   Only to the extent of using unitized areas as compared to non-unitized areas.

Q   I believe the formation of these non-standard units will result in more orderly development?

A   Yes.

Q   Would you explain that, please?

A   If one unit were set out, not within this pattern, there would have to be abnormally large or abnormally small units to the west and east of that particular unit. This way, the size and the offset units are comparable size.

Q   Do you think the establishment of these non-standard units will impair correlative rights?

A   No.

Q   Do you think they actually will be protected by your proposed units?

A   Yes.

Q   Do you have anything further you would like to present, Mr. Kendrick?

A   I think that this will, presumably, ease the operators' administrative load, in that they would know what type unit would be approved and whether or not they would, or what their problems would be with getting their acreage together to drill a well. They would know whether to get, whether the unit would be approved.

MR. PAYNE: That concludes my direct examination.   I move for admission for Exhibit 1 in Case 2096.

MR. PORTER: Without objection, it will be admitted. Does anyone have a question?

(No response.)

MR. PORTER: The witness may be excused.   Does anyone have anything to offer in this case?

MR. BUELL: I have a statement.   Guy Buell, appearing on behalf of Pan-American Petroleum Corporation.   It appears to us that the non-standard units, as reflected on Mr. Kendrick's Exhibit Number 1, is a very practical way to handle this problem of irregular Sections that we have along this tier; covered by that Exhibit, it would be our recommendation to the Commission, and so far as our acreage is included in that strip, these Units be adopted.

MR. PORTER: Anyone else have a statement?   The Commission will take the case under advisement, and take up Case 2098.

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

     I, LEWELLYN NELSON, Court Reporter, do hereby certify that
the foregoing and attached transcript of proceedings before the
New Mexico Oil Conservation Commission at Farmington, New Mexico,
is a true and correct record to the best of my knowledge, skill
and ability.

     IN WITNESS WHEREOF I have affixed my hand and notarial seal
this _25_ day of October, 1960.

                                   Lewellyn F. Nelson
                                   Notary Public-Court Reporter

My Commission expires:

June 14 1964 .

-4-
CASE No. 2096
Order No. R-1814

(22) All of partial Section 11 plus Lot 4 and the SW/4 SW/4 of partial Section 12, Township 28 North, Range 9 West, comprising 334.46 acres.

(23) Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 12, Township 28 North, Range 9 West, plus Lots 4 and 5 and the SE/4 SW/4 of partial Section 7, Township 28 North, Range 8 West, comprising 312.28 acres.

(24) Lots 1, 2 and 3 and the S/2 SE/4 of partial Section 7 plus Lots 3 and 4 and the S/2 SW/4 of partial Section 8, Township 28 North, Range 8 West, comprising 341.36 acres.

(25) Lots 1 and 2 and the S/2 SE/4 of partial Section 8 plus Lots 2, 3 and 4 and the S/2 SW/4 of partial Section 9, Township 28 North, Range 8 West, comprising 333.84 acres.

(26) Lot 1 and the S/2 SE/4 of partial Section 9 plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4 of partial Section 10, Township 28 North, Range 8 West, comprising 335.11 acres.

(27) Lot 1 and the SE/4 SE/4 of partial Section 10 plus Lots 2, 3 and 4 and the S/2 S/2 of partial Section 11, Township 28 North, Range 8 West, comprising 331.76 acres.

(28) Lot 1 of partial Section 11 plus all of partial Section 12, Township 28 North, Range 8 West, comprising 327.87 acres.
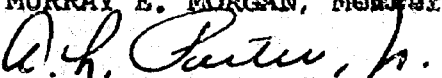
all in San Juan County, New Mexico.

(II) That each of the above-described non-standard gas proration units shall be assigned an acreage factor for allowable purposes which shall be the ratio of the acreage in that unit to the acreage in a standard gas proration unit in the Basin-Dakota Gas Pool.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

esr/

partial Section 7, Township 28 North, Range 11
West, comprising 335.02 acres.

(11)   All of partial Section 8 plus Lot 4 and the SW/4
SW/4 of partial Section 9, Township 28 North, Range
11 West, comprising 333.55 acres.

(12)   Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4
of partial Section 9 plus Lots 3 and 4 and the
S/2 SW/4 of partial Section 10, Township 28 North.
Range 11 West, comprising 328.45 acres.

(13)   Lots 1 and 2 and the S/2 SE/4 of partial Section
10 plus Lots 2, 3 and 4, the S/2 SW/4 and the
SW/4 SE/4 of partial Section 11, Township 28
North, Range 11 West, comprising 323.29 acres.

(14)   Lot 1 and the SE/4 SE/4 of partial Section 11
plus all of partial Section 12, Township 28
North, Range 11 West, comprising 318.14 acres.

(15)   Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4
of partial Section 8 plus Lots 3 and 4 and the
S/2 SW/4 of partial Section 9, Township 28 North,
Range 10 West, comprising 319.57 acres.

(16)   Lots 1 and 2 and the S/2 SE/4 of partial Section
9 plus Lots 2, 3 and 4, the S/2 SW/4 and the
SW/4 SE/4 of partial Section 10, Township 28 North,
Range 10 West, comprising 322.88 acres.

(17)   Lot 1 and the SE/4 SE/4 of partial Section 10
plus all of partial Section 11, Township 28 North,
Range 10 West, comprising 327.29 acres.

(18)   All of partial Section 12, Township 28 North,
Range 10 West, plus Lots 4 and 5 of partial
Section 7, Township 28 North, Range 9 West,
comprising 322.94 acres.

(19)   Lots 1, 2 and 3, the SE/4 SW/4 and the S/2 SE/4
of partial Section 7 plus Lots 3 and 4 and the
S/2 SW/4 of partial Section 8, Township 28 North,
Range 9 West, comprising 345.25 acres.

(20)   Lots 1 and 2 and the S/2 SE/4 of partial Section
8 plus Lots 2, 3 and 4, the S/2 SW/4 and the
SW/4 SE/4 of partial Section 9, Township 28 North,
Range 9 West, comprising 340.52 acres.

(21)   Lot 1 and the SE/4 SE/4 of partial Section 9 and
all of partial Section 10, Township 28 North,
Range 9 West, comprising 338.40 acres.

IT IS THEREFORE ORDERED:

(I)   That the following-described areas be and the same are
hereby established as non-standard gas proration units in the
Basin-Dakota Gas Pool, San Juan and Rio Arriba Counites, New Mexico.

(1)   All of partial Section 7 plus Lot 4 and the S/2
SW/4 of partial Section 8, Township 28 North,
Range 13 West, comprising 362.41 acres.

(2)   Lots 1, 2 and 3 and the S/2 SE/4 of partial
Section 8 plus Lots 2, 3 and 4, the S/2 SW/4
and the SW/4 SE/4 of partial Section 9, Town-
ship 28 North, Range 13 West, comprising
378.28 acres.

(3)   Lot 1 and the SE/4 SE/4 of partial Section 9
plus all of Section 10, Township 28 North,
Range 13 West, comprising 344.42 acres.

(4)   All of partial Section 11 plus Lot 4 and the
SW/4 SW/4 of partial Section 12, Township 28
North, Range 13 West, comprising 344.28 acres.

(5)   Lots 1, 2 and 3, the SE/4 SW/4, and the S/2
SE/4 of partial Section 12, Township 28 North,
Range 13 West, plus Lots 2, 3, 4 and 5, and the
SE/4 SW/4 of partial Section 7, Township 28
North, Range 12 West, comprising 364.58 acres.

(6)   Lot 1 and the S/2 SE/4 of partial Section 7
plus Lots 2, 3 and 4 and the S/2 S/2 of partial
Section 8, Township 28 North, Range 12 West,
comprising 354.12 acres.

(7)   Lot 1 of partial Section 8 plus all of partial
Section 9 plus the SW/4 SW/4 of partial Section
10, Township 28 North, Range 12 West, comprising
340.91 acres.

(8)   Lots 1, 2, 3 and 4, the SE/4 SW/4 and the S/2 SE/4
of partial Section 10 plus Lots 3 and 4 and the
S/2 SW/4 of partial Section 11, Township 28 North,
Range 12 West, comprising 366.46 acres.

(9)   Lots 1 and 2 and the S/2 SE/4 of partial Section 11
plus Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4
of partial Section 12, Township 28 North, Range 12
West, comprising 337.98 acres.

(10) Lot 1 and the SE/4 SE/4 of partial Section 12,
Township 28 North, Range 12 West, plus all of

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. 2096
Order No. R-1814

APPLICATION OF THE OIL CONSERVATION
COMMISSION ON ITS OWN MOTION TO
CONSIDER ESTABLISHING NON-STANDARD
GAS PRORATION UNITS IN THE BASIN-
DAKOTA GAS POOL IN CERTAIN PARTIAL
SECTIONS, 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
October 13, 1960, at Farmington, New Mexico, before the Oil
Conservation Commission of New Mexico, hereinafter referred
to as the "Commission."

NOW, on this 4th day of November, 1960, the Commission,
a quorum being present, having considered the testimony presented
and the exhibits received at said hearing, 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, in order to ensure systematic development and
thereby prevent waste and protect correlative rights, the Commis-
sion should establish individual proration units in the Basin-
Dakota Gas Pool in the tier of partial sections lying immediately
South of the Seventh Standard Parallel North in Township 29 North,
Ranges 8 through 13 West, NMPM, San Juan County, New Mexico.

(3) That by Order No. R-1628-A an administrative procedure
was established whereby the Commission could establish a non-
standard Dakota gas proration unit consisting of all of partial
Section 7 and the W/2 W/2 of partial Section 8, Township 29 North,
Range 10 West, NMPM, San Juan County, New Mexico, which area should
be excepted from the area divided into non-standard proration
units by this order.

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAH
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

1000 RIO BRAZOS ROAD
AZTEC

July 26, 1960

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attn: Dan Nutter and Elvis Utz

Re: Dakota Blocks for fractional
sections, including Case 1909

Dear Dan & Elvis:

Submitted herewith is a strip of fractional sections plus a couple of copies for further study.

Relative Remarks:

(1) This is not drawn to scale.

(2) All are fractional sections (top tier) in Township 28 North

(3) The figures are as follows (top to bottom):

    a. Range West
    b. Acreage in Dakota Unit
    c. Acreage in each lot or sub-division of survey
    d. Section number
    e. Acreage of each section

(4) Total acreage is 9,787.47, which would be 30.58 standard 320-acre units.

(5) This acreage is divided into 29 units averaging 337.49 acres each.

(6) The Gallegos Canyon Unit covers the area between the yellow lines on the strip. Total acreage is 2443.50 divided into 7 units averaging 349.05 acres.

(7) The strip is bounded on the East by the San Juan 28-7 Unit, a block-type unit, and on the West by the Navajo Reservation, unsurveyed.

(8) This divides all the acreage into reasonable drill blocks without splitting lots or quarter-quarter sections.

(9) If there are further questions or if you need more copies, please advise.

(10) We think that the sooner we set up this area for Dakota drilling the less chance we will stand of having extra small or extra large units formed.

Yours very truly,

A. R. Kendrick

A. R. Kendrick
Engineer, District #3

ECA:ks

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

1000 RIO BRAZOS ROAD
AZTEC

September 16, 1960

Mr. Oliver Payne
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Re: October Hearing

Dear Ollie:

We would like to have a case called in subject hearing to establish
and define non-standard Dakota drill blocks and/or proration units
in fractional sections 7 through 12 of each of the following
townships:

T. 28 North, Range 8 West   T. 28 North, Range 11 West
"   "   "   " 9 "   "   "   "   " 12 "
"   "   "   " 10 "   "   "   "   " 13 "

with the exception of the one unit established for Pan American by
Order R-1628. and R-1628-A

Elvis or Dan has a copy of the proposed units, which I prepared.
If additional copies are required, please advise.

This case should require about 30 minutes.

Yours very truly,

A. R. Kendrick

A. R. Kendrick
Engineer, District #3

ARK:ks

THE OCTOBER REGULAR HEARING WILL BE HELD AT THE

ELKS CLUB IN FARMINGTON, NEW MEXICO, OCTOBER 13, 1960

NEW MEXICO OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.
Secretary-Director

DOCKET: REGULAR HEARING, THURSDAY, OCTOBER 13, 1960

OIL CONSERVATION COMMISSION - 9 A.M. - ELKS CLUB - 801 MUNICIPAL DRIVE

FARMINGTON, NEW MEXICO

ALLOWABLE: (1) Consideration of the oil allowable for November, 1960.

(2) Consideration of the allowable production of gas for November, 1960, from six prorated pools in Lea County, New Mexico, also consideration of the allowable production of gas from seven prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for November, 1960.

CASE 2095: Application of the Oil Conservation Commission on its own motion to consider prorating the gas production from the Dakota Producing Interval, San Juan and Rio Arriba Counties, New Mexico.

CASE 2096: Application of the Oil Conservation Commission on its own motion to consider establishing non-standard proration units and/or drilling units in the Dakota Producing Interval in fractional Sections 7 through 12 of each of the following townships: Township 28 North, Ranges 8 through 13 West, San Juan County, New Mexico with the exception of the unit created by Order No. R-1628-A.

CASE 2097: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending existing pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico:

(a) Create a new pool for Grayburg production, designated as the West Bitter Lake-Grayburg Pool, and described as:

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM
Section 17:   SE/4

(b) Create a new pool for Abo production, designated as the Loco Hills-Abo Pool, and described as:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 21:   SW/4

(c) Extend the Blinebry Oil Pool, to include:

TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM
Section 5:   NW/4

(d)   Extend the Bluitt-Pennsylvanian Pool, to include:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 18:   E/2 SW/4
Section 30:   E/2 NE/4

(e)   Extend the Crossroads-Mississippian Pool, to include:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 34:   S/2

(f)   Extend the Dog Canyon-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 27:   SE/4

(g)   Extend the Empire-Abo Pool, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 32:   NW/4

(h)   Extend the Hume-Queen Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 7:   SW/4

(i)   Extend the Justis-Blinebry Pool, to include:

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM
Section 31:   NW/4

(j)   Extend the Justis-Paddock Pool, to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 13:   NE/4

(k)   Extend the Little Lucky Lake-Devonian Pool, to include:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 17:   S/2
Section 20:   E/2

(l)   Extend the Reeves-Devonian Pool, to include:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 14:   SE/4 SE/4
Section 23:   NE/4 NE/4

(m) Extend the Saunders-Permo Pennsylvanian Pool, to include:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/4

(n) Extend the Tubb Gas Pool, to include:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 18: NE/4

(o) Extend the Wantz-Abo Pool, to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 4: NW/4

CASE 2098: Northwestern New Mexico nomenclature case calling for an order
for the extension of existing pools in San Juan and Rio Arriba
Counties, New Mexico:

(a) Extend the Aztec-Pictured Cliffs Pool, to include:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 9: SE/4
Section 10: SW/4
Section 15: W/2
Section 16: All
Section 21: N/2
Section 22: N/2

(b) Extend the Blanco-Pictured Cliffs Pool, to include:

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM
Section 6: S/2

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM,
Section 1: E/2

(c) Extend the South Blanco-Pictured Cliffs Pool, to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Section 34: NW/4

(d) Extend the Tapacito-Pictured Cliffs Pool, to include:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 31: SE/4

(e) Extend the West Kutz-Pictured Cliffs Pool, to include:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 17:   SW/4
Section 18:   SE/4
Section 20:   N/2

(f)   Extend the Blanco-Mesaverde Pool, to include:

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM,
Section 30:   All (Partial)

(g)   Extend the Otero-Gallup Oil Pool, to include:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM,
Section 2:   SE/4 & NE/4 SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM,
Section 25:   N/2 SW/4

(h)   Extend the Verde-Gallup Oil Pool, to include:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM,
Section 21:   N/2 NE/4, SE/4 NE/4, & NE/4 NW/4

ig/

Case No R 2096

Q. What exactly is the purpose of this case?

A. To establish orderly development of the Dakota producing interval along the
tier of partial sections caused by the seventh Standard Parallel North.

Q. Does this case seek to establish individual drill blocks or proration units?

A. Yes.

Q. Are these drill blocks standard units under the Dakota spacing order, R-1287?

A. No. These are all non-standard units. The size varies from 312.28 acres to
378.28 acres each. The average size drill block using this arrangement is
337.53 acres.

Q. Have you prepared an exhibit showing these proposed units?

A. Yes.

Q. Explain your exhibit and identify the use of numbers and colors.

A. The exhibit respresents the north tier of sections in Township 28 North, Ranges
8,9,10,11,12, and 13 West. The range numbers appear at the top. The next
line of numbers indicates the number of acres in the proration unit immediately
below the number. The acreage of each lot or sub-division of the section
is shown inside the ruled area. The section numbers are shown immediately
below each section. The lowest line of numbers reflects the total acreage
of each section.

The alternating colors   and   are used to identify the areal
extent of each proposed proration unit. The   colored area is the drill
block ommitted in the advertisement of this case. It is the result of a
prior hearing. The   colored strip through the section numbers indicates
that area within the Gallegos Canyon Unit.

Q. For the record, identify the specific area contained in each of the proposed
proration units.

A. Beginning in Range 13 West the first proration unit would consist of all of
section 7 and lot 4 plus the S/2 SW/4 of Section 8. It contains 362 acres.
The next proration unit contains 378.28 acres being lots 1,2, and 3 and S/2
SE/4 of Section 8 and W/2 E/2 of Section 9. The next proration unit contains
344.42 acres and consists of the E/2 E/2 of Section 9 and all of Section 10.

(Etc.)

Q. If unitized areas have been considered in the arrangement of proration units,
explain their situations.

   The Gallegos Canyon Unit area is identified on the exhibit. The proration unit
   west of the unit contains 344.42 acres and offsets a proration unit
   the Gallegos Canyon Unit which has 344.28 acres. The proration unit
   almost identical. A like situation exists at the east boundary of
   the Canyon Unit.

        0-7 Unit is adjacent to the east end of the exhibit. Unitized
        unitized areas do not appear in any one proration unit.

Q. How many wells would have to be drilled if one well were drilled in each of these partial sections?

A. Thirty-six with an average acreage of approximately 272 acres.

Q. How many proration units do you propose?

A. Only 29.

Q. Are there similar partial sections east or west of those shown on your exhibit?

A. Yes. There are 24 sections to the east but they are all contained in unitized areas.

The area to the west may have similar sections, but there has been no General Land Office survey. We do not know the area of those sections at this time.

Q. Do you believe that this case will ease the administrative burden of the operators?

A. Yes. Each operator will know the size and shape of his proration unit and that of his offsets.

Q. Have you considered lease ownership in the arrangement of these proration units?

A. No. The only ownership consideration was unitized and non-unitized areas.

Q. How will this arrangement aid in orderly development?

A. It will prevent the establishment of proration units which would interfere with an orderly system. One proration unit could be established in such a position as to cause extra large and/or extra small ones to be formed in this area.

Q. Do you think correlative rights will be protected by this design?

A. Yes. This will prevent an operator from being forced to drill on an extra small proration unit, as just mentioned.

Q. Do you believe waste will be caused by this system?

A. No. Application of the theory of drainage and counter drainage will show efficient drainage of the reservoir.

24	25		26	27	28
341.36	333.84		335.11	331.76	327.87

36.55	36.34	36.05	35.69	35.31	34.95	34.68	34.53	34.37	34.22	33.97	33.63	33.29	32.95	32.83	32.94	33.04	33.15	33.32	33.56	33.80	34.04
80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00	

7	8	9	10	11	12
8.76	302.00	297.80	293.84	291.96	294.72

327.29   322.94   24   341.36   28   333.84   335.11

| 24.73 | 24.87 | 25.01 | 25.20 | 25.45 | 25.69 | 25.94 | 26.48 | 27.88 | 28.46 | | | 36.74 | 36.54 | 36.34 | 36.05 | 35.69 | 35.31 | 34.95 | 34.68 | 34.53 | 34.37 | 34.22 |

| 80.00 | 80.00 | 80.00 | 80.00 | 80.0 | 40.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 |

10   11   12   7   8   9
259.20   262.28   270.11   298.76   302.00   297.80

RANGE 10 WEST

15   11   17   18   341

		319.67				322.88					327.29					322.94				36.74	
24.00	23.94	23.90	23.84	23.91	24.08	24.26	24.43	24.59	24.73	24.87	25.01	25.20	25.45	25.69	25.94	26.48	27.88	28.46			
80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00							0.00				

8   9   10   11   12
255.68   256.68   259.20   262.28   270.11

7
298.76

22
334.46

23
312.28

321.95

15
319.67

11
322.88

7.4?	27.25	27.09	26.98	26.88	26.77	26.74	2?.?	27.81		23.60	24.12	24.05	24.00	23.94	23.90	23.34	23.51	24.08	24.26	24.43	24.59	24.73	24.87	25.0
80.00		80.00		80.00		80.00		80.0		80.0	40.00		80.00		80.00		80.00		80.00		80.00		80.00	80.00

36

11
267.72

12
269.88

7
257.95

8
255.68

9
256.68

10
259.20

RANGE 9 WEST

19		20		21		22		23
345.25		340.52		338.40		334.46		312.28

29.48	29.27	29.06	28.84	28.60	28.36	28.12	28.00	28.02	28.02	28.04	27.93	27.70	27.48	27.25	27.03	26.98	26.38	26.77	26.74		27.81
40.00	80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.0		80.

7	8	9	10	11	12
260.64	273.92	272.08	270.36	267.72	269.88

13					14				19				20							21	

323.29   318.14   345.25   340.52   338.40

| 24.86 | 24.68 | 24.47 | 24.27 | 24.06 | 23.85 | 23.63 | 23.41 | | 29.48 | 29.27 | 29.06 | 28.84 | 28.50 | 28.36 | 28.12 | 28.00 | 28.02 | 28.02 | 28.04 | 27.93 | 27.7 |

| 00 | 80.00 | 80.00 | 80.00 | 80.0 | | 40.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 |

11
257.48

12
254.08

7
260.64

8
273.92

9
272.08

27.38

5.02					333.55					328.45					323.29					318.14	
68	27.55	27.53	26.90	25.87	26.46	27.55	27.44	26.23	26.05	25.99	25.92	25.32	25.17	25.01	24.86	24.68	24.47	24.27	24.06	23.85	23.
76 40.00	80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80

	7	8	9	10	11
	267.42	267.32	264.19	260.36	257.48

RANGE 12 WEST

354.12 340.91 366.46 337.98 5.02

28.52	28.55	28.45	28.35	28.17	28.15	28.13	28.11	28.03	27.90	27.76	27.63	27.56	27.58	27.58	27.60	27.60	27.	27.60	68	27.55	27.53	26.90
80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00				80.00		80.00		80.		40.00		80.00		

9
272.56

10
271.32

11
270.32

12
269.40

267.42

| 344.42 | | 344.28 | | 364.58 | | 354.12 | | 340.91 | |

3   4   5

| 28.91 | 28.86 | 28.82 | 28.78 | 28.76 | 28.82 | 28.86 | 28.92 | 28.99 | | 28.83 | | | 28.54 | 28.50 | 28.60 | 28.52 | 28.55 | 28.45 | 28.35 | 28.17 | 28.15 | 28.13 | 28.11 | 28.03 | 27.9 |

| 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 40.00 | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 |

10   11   12   7   8   9

| 275.36 | | 275.36 | | .40 | | 266.70 | | 273.87 | | 272.56 | |

RANGE 13 WEST

	362.41					378.28						344.42				344.28	
14.88	18.24	23.45	28.48	29.86	29.88	29.88	29.90	29.78	29.84	29.30	29.06	28.92	28.86	28.82	28.76	28.76	28.82	28.86	23.92	28
47.50	40.00	80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00	
	252.55			279.52				277.68			275.36				275.36		

RANGE 8 WEST

	333.84			335.11				331.76							327.87	
69 35.31	34.95	34.68	34.53	34.37	34.22	33.97	33.63	33.29	32.95	32.83	32.94	33.04	33.15	33.32	33.56	33.80 34
80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00
8 302.00		9 297.30			10 293.84			11 291.96				12 294.72				

RANGE 9 WEST

| 52 | 338.40 | 334.46 | 312.28 | 341.36 | 333.84 |

| .02 | 28.02 | 28.04 | 27.93 | 27.70 | 27.48 | 27.25 | 27.09 | 26.98 | 26.88 | 26.77 | 26.74 | 26.89 | 27.81 | | 36.74 | 36.54 | 36.34 | | .69 | 35.31 | 34.95 | .68 |

| 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.00 | 80.0 | 40.00 | 80.00 | 80.00 | 80.00 | 80. |

| 9 | 10 | 11 | 12 | 7 | 8 |
| 272.08 | 270.36 | 267.72 | 269.88 | 298.76 | 302.00 |

RANGE 9 WEST

	322.94				345.25			340.52							338.40				334.46	
.48	8	28.46		29.56	29.58	29.37	29.06	28.84	28.60	28.36	28.12	28.00	28.02	28.02	28.04	27.93	27.70	27.48	27.25	27.09	26.98	26.88
80.		80.		.37	40.00	80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00
	12				7			8			9				10			11		
	270.11				260.64			273.92			272.08				270.36			267.72		

RANGE 10 WEST

321.95			319.67				322.88				327.29					322.94		
	24.06	23.94	23.90	23.84	23.91	24.08	24.26	24.43	24.59	24.73	24.87	25.01	25.20	25.45	25.69	25.94	26.48	27.88	28.46
	40.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.00		80.
7 257.95			8 255.68				9 256.68				10 259.20				11 262.48				12 270.11

RANGE 11 WEST

333.55						328.45						323.29					318.14				321.9?

| .90 | 25.87 | 26.46 | 27.55 | 27.44 | 26.23 | 26.05 | 25.93 | 25.92 | 25.33 | 25.17 | 25.01 | 24.86 | 24.68 | 24.47 | 24.27 | 24.06 | 23.85 | | | | |

| | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | 80. | | |

| | 8 | | | 9 | | | 10 | | | 11 | | | | 12 | | | 7 |
| | 267.32 | | 264.19 | | | 260.36 | | | 257.48 | | | 254.08 | | | 257.9? |

RANGE 12 WEST

354.12   340.91   366.46   337.98   .02

| .60 | 28.52 | 28.55 | 28.45 | 28.35 | 28.17 | 28.15 | 28.13 | 28.11 | 28.03 | 27.90 | 27.76 | 27.65 | 27.56 | 27.58 | 27.58 | 27.60 | 27.60 | 27.60 | 27.60 | | 27.55 | 27.53 | 26.90 | 25.8 |

| | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80.00 | | 80. | | 40.00 | 80.00 | |

8   9   10   11   12   7

273.87   272.56   271.32   270.32   270.40   267.42

RANGE 13 WEST

	378.28			344.42			344.28			304.			354.12

29.86	29.8	29.88	29.90	29.78	29.54	29.30	29.06	28.92	28.86	28.82	28.76	28.76	28.82	28.86	28.9	28.92	28.8	28.8	44	28.54	28.50	28.61	28.52	28.

80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.	52	40.00	80.00	80.00

8	9	10	11	12	7
279.52	277.68	275.36	275.36	275.40	266.70

RANGE 13 WEST

362.41		378.28		344.42		344.28	

14.88	18.24	23.45	28.49	29.86	29.88	29.88	29.00	29.78	29.54	29.30	29.06	28.92	28.86	28.82	28.76	28.76	28.82	28.86

47.50	40.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00

7	8	9	10	11
252.55	279.52	277.68	275.36	275.36

7