BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered Much 31, 1964

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

> CASE No. 2995 Order No. R-2674

APPLICATION OF DEANE H. STOLTZ FOR TWO NON-STANDARD OIL PRORA-TION UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 19, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>18th</u> day of March, 1964, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Deane H. Stoltz, seeks the establishment of two 80-acre non-standard oil proration units in Section 22, Township 11 South, Range 33 East, NMPM, North Bagley-Upper Pennsylvanian Pool, Lea County, New Mexico, described as follows:

(a) SE/4 NE/4 and NE/4 SE/4 of Section 22.

(b) SW/4 NE/4 and NW/4 SE/4 of Section 22.

(3) That the two above-described 80-acre non-standard oil proration units are to be dedicated, respectively, to the following-described wells:

(a) Deane H. Stoltz-J. D. Guye Well No. 1, located 1980 feet from the North line and 660 feet from the East line of said Section 22. -2-CASE No. 2995 Order No. R-2674

> (b) Deane H. Stoltz State 262 Well No. 1, located 1980 feet from the North line and 1980 feet from the East line of said Section 22.

(4) That the proposed 80-acre non-standard oil proration units can be efficiently and economically drained and developed by said wells.

(5) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risks arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the following-described 80-acre non-standard oil proration units in Section 22, Township 11 South, Range 33 East, NMPM, North Bagley-Upper Pennsylvanian Pool, Lea County, New Mexico, are hereby established:

- (a) SE/4 NE/4 and NE/4 SE/4 of Section 22, to be dedicated to applicant's J. D.
 Guye Well No. 1, located 1980 feet from the North line and 660 feet from the East line of said Section 22.
- (b) SW/4 NE/4 and NW/4 SE/4 of Section 22, to be dedicated to applicant's State 262 Well No. 1, located 1980 feet from the North line and 1980 feet from the East line of said Section 22.

(2) 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 OTL CONSERVATION COMMISSION

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JACK M. CAMPBELL, Chairman

S. WALKER, Member

L. PORTER, Jr., Member & Secretary

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