BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 936 Order No. R-688

THE APPLICATION OF BASIN NATURAL GAS CORPORATION FOR COMPULSORY COMMUNITIZATION OF THE SW/4 OF SECTION 13, TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, OR, IN THE ALTERNATIVE, FOR THE GRANTING OF AN UNORTHODOX UNIT CONSISTING OF THE S/2 SW/4 OF SECTION 13, TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO CONTAINING 80 ACRES MORE OR LESS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 17, 1955, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this $15^{\frac{t}{5}}$ day of September, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That applicant, Basin Natural Gas Corporation, is the owner of oil and gas leases in San Juan County, New Mexico under the following described lands:

> TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM S/2 SW/4 of Section 13

containing 80 acres more or less.

(3) That Mr. Francis Harvey is the owner of the oil and gas lease covering the NW/4 of the SW/4 of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico containing 40 acres more or less and that the NE/4 of the SW/4 of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, is unleased federal land.

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(3) That in view of the facts presented, it would be premature to grant forced communitization of aforementioned lands.

(4) That granting of the alternate request as an exception to Rule 104 (d) in the application will not cause but will prevent waste and will protect correlative rights.

(5) That there were no protestants of record to the application in the subject case.

IT IS THEREFORE ORDERED:

(1) That the alternate request in the application of Basin Natural Gas Corporation for approval of an unorthodox unit in exception to Rule 104
(d) for its Gale Well No. 1 in the Aztec Fruitland Gas Pool, consisting of the following described acreage:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM S/2 SW/4 of Section 13

containing 80 acres more or less, be and the same is hereby approved, and an unorthodox unit consisting of aforementioned acreage is hereby created.

(2) That should owners of the oil and gas leases under the NW/4 of the SW/4 and the NE/4 of the SW/4 of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, desire to voluntarily join the unit, applicant is hereby given the right to so enlarge this unit to 120 acres or 160 acres as the case may be, all until further order of the Commission.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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