ebruary 28, 1983 Entered

## STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 7793 Order No. R-7225

APPLICATION OF NORTHWEST EXPLORATION CO. FOR DISCOVERY ALLOWABLE, RIO ARRIBA COUNTY, NEW MEXICO.

### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 16, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>28th</u> day of February, 1983, 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, Northwest Exploration Co., is the owner of the Gavilan Well No. 1, located in Unit A of Section 26, Township 25 North, Range 2 West, Rio Arriba County, New Mexico.

That said well was completed as an oil well capable (3) of producing from the Gallup formation on March 21, 1982, through perforations from 6821 feet to 7562 feet.

That said well was the discovery well for the (4)Gavilan-Gallup Pool created by Division Order No. R-7185 on January 13, 1983, and is entitled to the assignment of a discovery allowable of 34,105 barrels.

That such discovery allowable should be assigned, (5) as of January 1, 1983, to be produced at a rate of 47 barrels daily over a period of 731 days. -2-Case No. 7793 Order No. R-7225

# IT IS THEREFORE ORDERED:

(1) That the Northwest Exploration Co. Gavilan Well No. 1 located in Unit A of Section 26, Township 25 North, Range 2 West, Gavilan-Gallup Pool, Rio Arriba County, New Mexico, is hereby assigned an oil discovery allowable in the amount of 34,105 barrels, to be produced in addition to said well's regularly assigned allowable at the rate of approximately 47 barrels per day.

(2) That such assignment of discovery allowable shall be for a 731 day period beginning January 1, 1983.

(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 QIL CONSERVATION DIVISION paner JOE D. RAMEY Director

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