

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. 7865
Order No. R-7305

APPLICATION OF JULIAN ARD FOR A
NON-STANDARD PRORATION UNIT OR,
IN THE ALTERNATIVE, COMPULSORY
POOLING, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 11, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of June, 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, Julian Ard, seeks approval of a 160-acre non-standard gas proration unit for the Atoka formation comprising the SE/4 of Section 4, Township 8 South, Range 27 East, NMPM, or, in the alternative, seeks approval to pool all mineral interests in the Atoka formation underlying the E/2 of Section 4, Township 8 South, Range 27 East, NMPM.

(3) That the non-standard gas proration unit is to be dedicated to the applicant's Acme Well No. 1 already drilled at a standard location thereon at a point 1980 feet from the South line and 660 feet from the East line of said Section 4.

(4) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Atoka formation and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

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(5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Atoka formation underlying said non-standard unit, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit for the Atoka formation comprising the SE/4 of Section 4, Township 8 South, Range 27 East, NMPM, Chaves County, New Mexico, is hereby established and dedicated to the applicant's Acme Well No. 1 already drilled at a standard location thereon at a point 1980 feet from the South line and 660 feet from the East line of said Section 4.

(2) 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

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