

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. 1066
Order No. R-810

THE APPLICATION OF SAN JUAN GAS
CORPORATION FOR AN ORDER TEMPORARILY
ESTABLISHING 320 ACRE DRILLING AND
WELL SPACING UNITS FOR THE PROPOSED
GAVILAN UNIT AREA IN THE PICTURED
CLIFFS FORMATION UNDERLYING CERTAIN
LANDS IN TOWNSHIPS 24 AND 25 NORTH,
RANGE 2 WEST, NMPM, RIO ARRIBA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 9, 1956, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission, and was continued to 9 o'clock a.m. on May 16, 1956, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 28th day of May, 1956, 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 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, San Juan Gas Corporation, is the proposed operator of oil and gas leases in the proposed Gavilan Unit Area, covering lands in Rio Arriba County described as follows:

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

All Sections 1 and 2
E/2 & E/2 W/2 Section 3
E/2 Section 10
All Sections 11 through 14, incl.
E/2 Section 15
E/2 Section 22
All Sections 23 through 27, incl.
S/2 Section 33
All Sections 34 through 36, incl.

-2-

Case No. 1066
Order No. R-810

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
All Sections 1 through 30, incl.
All Sections 33 through 36, incl.

(3) That insufficient evidence was presented by the applicant to justify the temporary establishment of 320-acre drilling units in the proposed Gavilan Unit Area.

IT IS THEREFORE ORDERED:

That the application of San Juan Gas Corporation for an order temporarily establishing 320-acre drilling and well spacing units in the proposed Gavilan Unit Area in the Pictured Cliffs formation for certain lands in Townships 24 and 25 North, Range 2 West, Rio Arriba County, New Mexico, be and the same is hereby DENIED.

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

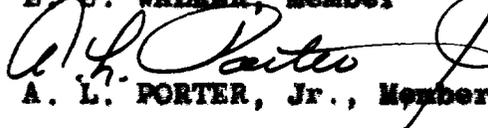
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



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



ir/