

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. 6799
Order No. R-6265

APPLICATION OF CAULKINS OIL COMPANY
FOR A NON-STANDARD GAS PRORATION
UNIT, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 30, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of February, 1980, 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, Caulkins Oil Company, seeks approval of a 320-acre non-standard Blanco Mesaverde gas proration unit comprising the SE/4, S/2 NE/4 and S/2 SW/4 of Section 16, Township 26 North, Range 6 West, NMPM, to be dedicated to a well to be drilled at a standard location thereon.

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

(4) That the aforesaid non-standard proration unit conforms to a previously approved non-standard proration unit dedicated to a producing well in the Basin-Dakota Pool and if

approved, the proposed unit would allow the same lands to comprise two coinciding non-standard gas proration units.

(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 Blanco Mesaverde Pool, 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.

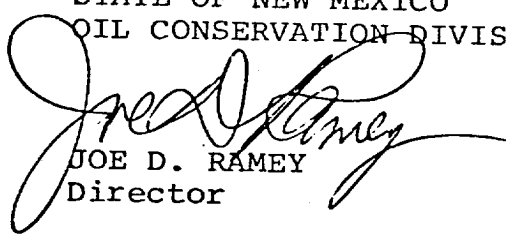
IT IS THEREFORE ORDERED:

(1) That Caulkins Oil Company is hereby granted a 320-acre non-standard gas proration unit in the Blanco Mesaverde Pool comprising the SE/4, S/2 NE/4 and S/2 SW/4 of Section 16, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon.

(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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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