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. 7187 Order No. R-6635

APPLICATION OF BLACKWOOD & NICHOLS CO., LTD. FOR FOUR NON-STANDARD PRORATION UNITS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of April, 1981, 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, Blackwood & Nichols Co., Ltd., seeks approval of the following four Fruitland and Pictured Cliffs non-standard gas proration units:
 - a 185.68-acre unit comprising the SW/4 of Section 1, Township 31 North, Range 7 West; a 181.4-acre unit comprising the SE/4 of said Section 1; a 176.68-acre unit comprising the SW/4 of Section 6, Township 31 North, Range 6 West; and a 175.21-acre unit comprising the SE/4 of said Section 6, all of said units to be dedicated to wells to be drilled at standard locations thereon.
- (3) That the entire non-standard proration units may reasonably be presumed productive of gas from the Fruitland and Pictured Cliffs formations and that each non-standard gas