TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM Section 6: N/2 and SW/4

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM Section 1: E/2

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM Section 31: All

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM Section 36: E/2

- (4) That a pressure maintenance project comprising the above-described area is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.
- (5) That the applicant further seeks the promulgation of special rules and regulations governing said pressure maintenance project, and the establishment of an administrative procedure whereby said project area may be expanded for good cause shown and whereby additional wells in the project area may be converted to injection.
- of the BMG La Plata Mancos Pressure Maintenance Project should be promulgated and, for operational convenience, such rules should provide certain flexibility in authorizing the production of the project allowable from any well or wells in the project area in any proportion, provided that no well in the project area which directly or diagonally offsets a well outside the La Plata Mancos Unit Participating Area, producing from the same common source of supply should be allowed to produce in excess of top unit allowable for the La Plata-Gallup Oil Pool until such time as the well has experienced a substantial response to injection. When such a response has occurred, the well should be permitted to produce up to two times top unit allowable for the La Plata-Gallup Oil Pool. Production of such well at a higher rate should be authorized only after notice and hearing.

IT IS THEREFORE ORDERED:

(1) That the applicant, Benson-Montin-Greer Drilling Corporation, is hereby authorized to institute a pressure maintenance