

Entered October 16, 1962
[Signature]

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2624
Order No. R-2311

APPLICATION OF EL PASO NATURAL GAS
PRODUCTS COMPANY FOR A NON-STANDARD
PRORATION UNIT AND UNORTHODOX LOCA-
TION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 29, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of September, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Products Company, seeks the establishment of an 82.07-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool comprising the following portions of Section 17, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico: that part of the NE/4 SW/4 lying North of the centerline of the San Juan River, as the same is shown and designated on the U. S. Government Land Office Plat of Survey dated August 31, 1882; the SE/4 NW/4; and that part of the NE/4 NW/4 lying South of the centerline of U. S. Highway 550.

(3) That the proposed unit lies wholly within a single governmental section and may reasonably be presumed to be productive of oil from the Cha Cha-Gallup Oil Pool.

(4) That the entire subject area is included in a Royalty Owner's Unitization Agreement and that the applicant has been designated the unit operator by a Joint Operating Agreement.

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(5) That approval of the non-standard proration unit will avoid the drilling of unnecessary wells, protect correlative rights, prevent reduced recovery which might result from the drilling of too few wells, and otherwise prevent waste.

(6) That the applicant further seeks permission to locate its Brimhall Well No. 1 at an unorthodox location 2580 feet from the South line and 1980 feet from the West line of said Section 17, and proposes to dedicate the above-described non-standard oil proration unit to said well.

(7) That all offset operators have consented to the proposed unorthodox well location and that approval of the unorthodox well location will not cause waste or impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That an 82.07-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool is hereby established comprising the following portions of Section 17, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico: that part of the NE/4 SW/4 lying North of the centerline of the San Juan River, as the same is shown and designated on the U. S. Government Land Office Plat of Survey dated August 31, 1882; the SE/4 NW/4; and that part of the NE/4 NW/4 lying South of the centerline of U. S. Highway 550.

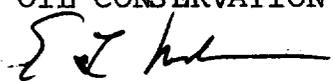
(2) That in the event it is determined by an official re-survey, or otherwise, that the acreage in said proration unit is greater or smaller than 82.07 acres, the acreage to be allocated to said unit shall be adjusted accordingly.

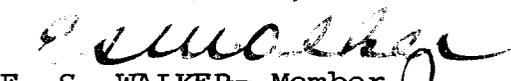
(3) That the applicant is hereby authorized to locate its Brimhall Well No. 1 at an unorthodox location 2580 feet from the South line and 1980 feet from the West line of Section 17, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, and shall dedicate the above-described non-standard oil proration unit to said well.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


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

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