

Entered September 6, 1972
A.L.P.

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. 4779
Order No. R-4384

APPLICATION OF MERRION &
BAYLESS FOR A NON-STANDARD
PRORATION UNIT, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 23, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 1972, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Merrion & Bayless, seek approval of a 160-acre non-standard gas spacing unit comprising the SE/4 of Section 35, Township 30 North, Range 12 West, NMPM, within one mile of the Flora Vista-Mesaverde pool, to be dedicated to its Carnahan Well No. 1, located in Unit P of said Section 35.
- (3) That the applicant has made no attempt to communitize with the offset operator to form a standard gas spacing unit.
- (4) That said offset operator objects to the proposed non-standard spacing unit.
- (5) That in order to avoid the drilling of unnecessary wells and to protect correlative rights, the application for a 160-acre non-standard gas spacing unit should be denied without prejudice to the right of either the applicant or any other owner of mineral interests in the E/2 or S/2 of said Section 35 to bring a case before the Commission for the compulsory pooling of all mineral interests in the Mesaverde formation underlying said quarter section.

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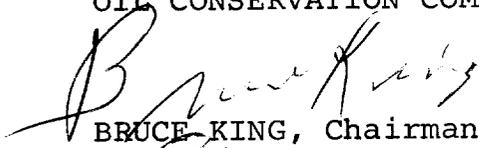
IT IS THEREFORE ORDERED:

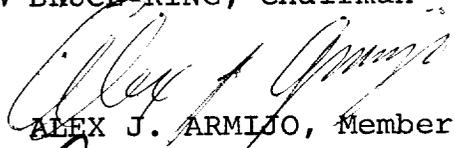
(1) That the application of Merrion & Bayless for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 35, Township 29 North, Range 12 West, NMPM, to be dedicated to their Carnahan Well No. 1 in Unit P of said Section 35, within one mile of the Flora Vista-Mesaverde Pool, is hereby denied without prejudice to the right of either the applicant or any owner of mineral interests in the E/2 or S/2 of the above-described Section 35 to bring a case before the Commission for the compulsory pooling of all mineral interests in the Mesaverde formation underlying the half section proposed to be pooled.

(2) 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


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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