

Final Feb 27, 1956
WBM

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1009
Order No. R-753

THE APPLICATION OF BLACKWOOD AND
NICHOLS COMPANY FOR AN ORDER
GRANTING AN EXCEPTION TO RULE 1,
OF THE SPECIAL RULES AND REGULATIONS
OF THE BLANCO-MESAVERDE GAS POOL AS
SET FORTH IN ORDER NO. R-128-D, IN ESTAB-
LISHMENT OF A NON-STANDARD GAS PRORATION
UNIT OF 307.44 CONTIGUOUS ACRES CONSISTING
OF LOTS 12 AND 13 AND E/2 SW/4 SECTION 18;
ALSO LOTS 6, 7, 12 & 13 AND E/2 W/2 SECTION
19; ALL IN TOWNSHIP 30 NORTH, RANGE 7 WEST,
NMPM, SAN JUAN AND RIO ARriba COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 24, 1956, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner, duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this 30th day of February 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said transcript of testimony and record and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
2. That applicant, Blackwood and Nichols Company, is the owner of an oil and gas lease in San Juan and Rio Arriba Counties, New Mexico, the land consisting of other than a legal standard half section, a part of which is described as follows, to-wit:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM
Section 18: Lots 12 & 13 and E/2 SW/4
Section 19: Lots 6, 7, 12 & 13 and E/2 W/2

containing 307.44 acres, more or less.

(3) That applicant, Blackwood and Nichols Company, proposes to drill a well in the SW/4 of Section 19, Township 30 North, Range 7 West, within the horizontal limits of the Blanco-Mesaverde Gas Pool.

(4) That it is impractical to pool applicant's above-described acreage with adjoining acreage in the Blanco-Mesaverde Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 307.44 acres.

(5) That the acreage contained within the proposed unit lies wholly within the Northeast Blanco Unit, San Juan and Rio Arriba Counties, New Mexico, and is within the Blanco-Mesaverde Gas Pool.

(6) That unless a proration unit consisting of applicant's afore-said acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blanco-Mesaverde Gas Pool.

(7) That creation of the proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the application of Blackwood & Nichols Company, for approval of a non-standard gas proration unit in the Blanco-Mesaverde Gas Pool consisting of the following described acreage in San Juan and Rio Arriba Counties, New Mexico:

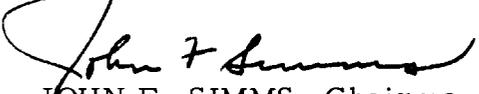
TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM
Section 18: Lots 12 and 13 and E/2 SW/4
Section 19: Lots 6, 7, 12 & 13 and E/2 W/2

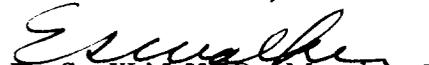
be and the same is hereby approved, and a proration unit consisting of afore-said 307.44 acres is hereby created.

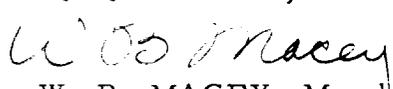
2. That applicant's proposed well to be located in the SW/4 of Section 19, Township 30 North, Range 7 West, NMPM, San Juan and Rio Arriba Counties, New Mexico, upon completion shall be granted an allowable in the proportion that the above described 307.44 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

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