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. 300 ORDER NO. R-120

THE APPLICATION OF DELHI OIL CORPORATION FOR AN ORDER AUTHORIZING COMMUNITIZATION OF CERTAIN EXTREME WESTERN QUARTER SECTIONS OF SECTIONS 6, 7, 18, 19, 30, and 31 OF TOWNSHIPS 29 AND 30 NORTH, RANGE 8 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, FOR THE ESTABLISHMENT OF EIGHT DRILLING UNITS THEREIN.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 a. m. on August 21, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, this 2th day of January, 1952, the Commission, having considered the testimony adduced and exhibits received at said hearing,

- 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 Sections 6, 7, 18, 19, 30, and 31 of Townships 29 and 30 North, Range 8 West, NMPM, San Juan County, New Mexico, are less than normal size, each containing approximately 549 acres. In order to provide a uniform drilling pattern, special drilling units should be established in said sections as to all wells now drilling or hereafter drilled to the Mesaverde gas horizon.
- (3) That the Commission, by its Orders R-35 and R-60, here—tofore issued, approved communitization of porations of Sections within the area which is the subject matter of this case.
- (4) That pooling of all lands within each drilling unit as to production of gas from the Mesaverde gas horizon will prevent waste, avoid unnecessary drilling, and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) The following lands shall constitute drilling units for production from the Mesaverde gas horizon:

Unit No. 1: W/2 Sec. 6 and NW/4 Sec. 7, T. 30N, R. 8 W

Unit No. 2: SW/4 Sec. 7 and W/2 Sec. 18, T. 30N, R. 8 W

Unit No. 3: W/2 Sec. 19 and NW/4 Sec. 30, T. 30 N, R. 8 W

Unit No. 4: SW/4 Sec. 30 and W/2 Sec. 31, T. 30N, R. 8 W

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- (2) All lands within each of the above drilling units are hereby pooled as to production from the Mesaverde gas horizon. Only one well shall be drilled on each drilling unit.
- (3) Wells shall be located not closer than 660 feet from the outer boundary of any drilling unit.
- (4) Wells drilled in the east halves of said sections shall be located in the northeast quarter of said section and not closer than 660 feet to the outer boundaries of said quarter section.
- (5) In the event gas proration orders are later issued for said wells, each, of Units 1, 2, 3 and 4, as defined above, shall be given an allowable equal to that of a 320-acre tract.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

GUY SHETARD, Member

R. R. SPURRIER, Secretary

SEAL

NOTICES OF PUBLICATION CASE 300 (For hearing of August 21, 1951)

August 10, 1951 August 10, 1951 August 10, 1951 August 9, 1951 Santa Fe New Mexican Hobbs Daily News Sun Farmington Daily Times Espanola Valley News