BEFORE THE OIL CONSERVATION CONTESTION (7)

## OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF JUHN J. REDFERN, JR. FOR AN URDER GRANTING APPROVAL OF AN EX-CEPTION TO RULES 2, 3 AND 6(A) OF THE SPECIAL RULES AND REGULATIONS APPLICABLE TO THE FULCHER KUTZ-FICTURED CLIFFS GAS POOL AS SET FORTH IN URDER NO. R-565-C TO PER-MIT THE ESTABLISHEENT OF A NON-STANDARD GAS PRORATION UNIT OF 201.22 CONTIGUOUS ACRES CONSISTING OF LOT 4 AND  $SW_{\overline{4}}$  OF  $SW_{\overline{4}}$  OF SECTION 9, LOTS 1 AND 2 AND THE  $S\frac{1}{2}$ OF SE4 OF SECTION 8, ALL IN TOWN-SHIP 28 NORTH, RANGE 11 WEST, N.M.P.M., SAN JUAN COUNTY, NEW DEXICO.

CASE NO. //00

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## APPLICATION

COMES NOW John J. Kedfern, Jr., by his attorneys Atwood & Malone, and applies to the Oil Conservation Commission of the State of New Mexico, for an exception to Rules 2, 3 and  $\mathfrak{G}(A)$  of the Special Rules and Regulations applicable to the Fulcher kutz-Pictured Cliffs gas pool, and for the approval of a non-standard gas proration unit consisting of 201.22 contiguous acres described as follows:

> Lot 4 and the  $5J_4$  of  $5J_4$  of Section 9, Lots 1 and 2 and the  $S^{\frac{1}{2}}_{\frac{1}{2}}$  of SE4 of Section 8, all in Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico,

and in support of said application states:

The above described acreage is owned in fee by the 1. United States of America and is covered by Federal Leases Nos.  $N_{M}$ -010063 (formerly SF-078780) and SF-0470193.

2. Applicant is the operator of the leasehold estate in the above described acreage and all parties owning either a

working interest or an overriding royalty interest therein are now in the process of executing a communitization agreement pooling their respective interests for the purpose of developing and producing dry gas and associated liquid hydrocarbons from the Pictured Cliffs formation underlying such acreage.

3. Applicant has completed a well on the above described acreage known as the Hazle L. Gentle No. 2 Jell located on the South line of Lot 4 and the North line of the  $SM_4^2$ of the  $SM_4^2$ , 890 feet from the North line and 1100 feet from the West line, of Section 9, Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.

4. Applicant will be deprived of the opportunity to recover his just and equitable share of the natural gas in the Fulcher hutz-Pictured Cliffs Pool unless a non-standard proration unit consisting of the above described acreage is permitted.

5. The creation of the non-standard proration unit consisting of the above described acreage will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that the Commission give due notice of the filing of this Application, that a hearing be had hereon, and that contingent upon completion of the execution of the aforementioned Communitization Agreement that the Commission grant the necessary exceptions to the provisions of Order No. R-565-C, and approve a non-standard proration unit in the Fulcher Kutz-Pictured Cliffs Pool consisting of

> Lot 4 and the  $SM_4$  of  $SM_4$  of Section 9, Lots 1 and 2 and the  $3\frac{1}{2}$  of SE4 of Section 8, all in Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.

and grant the Mazle L. Gentle No. 2 Well located on the South line of Lot 4 and the North line of the  $5\sqrt{4}$  of the  $5\sqrt{4}$ , 890 feet from the North line and 1100 feet from the West line, of Section 9, Fownship 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, an allowable in the proportion that the above described 201.22 acre unit bears to the standard proration unit.

Respectfully submitted,

JOHN J. REDFERN, JR. By

of ATWOOD & MALONE Roswell Petroleum Building Roswell, New Mexico