

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. 2529
Order No. R-2237

APPLICATION OF R & G DRILLING COMPANY
FOR TWO NON-STANDARD GAS PRORATION
UNITS, BASIN-DAKOTA GAS POOL, 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 April 11, 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 9th day of May, 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 by Order No. R-2046, entered in Case No. 2327 on August 14, 1961, the Commission established a number of non-standard proration units in the Basin-Dakota Gas Pool in San Juan County, New Mexico; said non-standard units were established "... to ensure systematic development and thereby prevent waste and protect correlative rights, ..." (Finding No. 2, Order No. R-2046).

(3) That the applicant, R & G Drilling Company, seeks the establishment of the two following-described non-standard gas proration units in the Basin-Dakota Gas Pool which differ from the non-standard units in this area established by said Order No. R-2046:

- (1) Lots 3, 4, 5, 6 and 7, the SE/4 NW/4 and the E/2 SW/4 of Section 6, and Lots 1 and 2 and the E/2 NW/4 of Section 7,

containing 342.51 acres;

-2-

CASE No. 2529
Order No. R-2237

(2) Lots 3 and 4 and the E/2 SW/4 of Section 7, and the W/2 of Section 18,

containing 320.27 acres, all in Township 30 North, Range 13 West, San Juan County, New Mexico.

(4) That the establishment of the proposed non-standard units would disrupt systematic development of properties in the tier of partial sections lying North and South of said Sections 6, 7 and 18, in which areas non-standard units were established by said Order No. R-2046.

(5) That the correlative rights of the owners of properties to the North and South of the proposed units would be affected adversely by the granting of the subject application.

(6) That, accordingly, the subject application should be denied.

IT IS THEREFORE ORDERED:

That the subject application is hereby denied.

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

