BEFORE THE GIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 4655 Order No. R-4257

APPLICATION OF WESTERN OIL PRODUCERS, INC. FOR TWO NON-STANDARD GAS PRORATION UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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This cause came on for hearing at 9 a.m. on February 2, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>8th</u> day of February, 1972, the Commission, a guorum 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, Western Oil Producers, Inc., seeks approval of two 320-acre non-standard gas proration units in an undesignated Devonian gas pool; one unit comprising the NE/4 of Section 31 and the NW/4 of Section 32 and the other unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the non-standard unit comprising the NE/4 of Section 31 and the NW/4 of Section 32 would be dedicated to applicant's State M Well No. 1, located 1980 feet from the North line and 660 feet from the West line of said Section 32. -2-CASE NO. 4655 Order No. R-4257

(4) That the non-standard unit comprising the SE/4 of Section 31 and the SW/4 of Section 32 would be dedicated to a well to be drilled 1650 feet from the South line and 660 feet from the West line of said Section 32.

(5) That Order No. R-2907, dated May 10, 1965, established a non-standard gas spacing unit for the Morrow formation comprising the SE/4 of said Section 31 and the SW/4 of said Section 32.

(6) That establishment of the above-described non-standard gas spacing units as requested would continue the spacing pattern established by said Order No. R-2907.

(7) That the proposed non-standard gas proration units can be efficiently and economically drained and developed by the subject wells.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the undesignated Devonian gas pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

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(1) That a 320-acre non-standard gas proration unit comprising the NE/4 of Section 31 and the NW/4 of Section 32, Township 20 South, Range 36 East, NMPM, undesignated Devonian gas pool, Lea County, New Mexico, is hereby established and dedicated to applicant's State M Well No. 1, located 1980 feet from the North line and 660 feet from the West line of said Section 32.

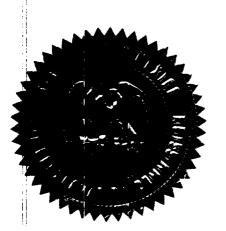
(2) That a 320-acre non-standard gas proration unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, undesignated Devonian gas pool, Lea County, New Mexico, is hereby established and dedicated to a well to be drilled 1650 feet from the South line and 660 feet from the West line of said Section 32. -3-CASE NO. 4655 Order No. R-4257

(3) 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.

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

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ALEX J. ARMIJO, Member

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

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