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.

BEFORE EXAMINER STOGNER OIL CONSERVATION DIVISION Autors EXHIBIT NO. 2 CASE NO. 10070 - 10074

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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 8th day of January, 1952, the Commission, having considered the testimony adduced and exhibits received at said hearing,

<u>FINDS:</u> (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, heretofore issued, approved communitization of portions 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. 8W Unit No. 2: SW/4 Sec. 7 and W/2 Sec. 18, T. 30N, R. 8W

Unit No. 3: W/2 Sec. 19 and NW/4 Sec. 30, T.30N, R. 8W Unit No. 4: SW/4 Sec. 30 and W/2 Sec. 31, T.30N, R. 8W

(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

S/ EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

SEAL

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. 606 Order No. R-392

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN ORDER PERMITTING THE COMMUNITIZATION ON A NORTH-SOUTH BASIS OF THE NARROW SECTIONS LOCATED ON THE WEST SIDE OF TOWNSHIP 31 NORTH, RANGE 8 WEST, NMPM, SUCH UNITS TO APPROXIMATE THE REGULAR 320-ACRE UNITS FOR THE BLANCO-MESAVERDE POOL UNDER-LYING THE ABOVE DESCRIBED AREA IN SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. November 19, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this 24th day of November, 1953, the Commission, a quorum being present, having considered the application and the testimony adduced at the hearing, 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.

(2) That Sections 6, 7, 18, 19, 30 and 31 of Township 31 North, Range 8 West, are less than normal in size, each containing approximately 540 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 in order to prevent waste and protect correlative rights, it is necessary that all lands within each drilling unit be pooled as to production of gas from the Mesaverde gas horizon.

IT IS THEREFORE ORDERED:

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

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> Unit No. 1: W/2 Sect. 6, NW/4 Sect. 7 in Twp. 31 N, Rge. 8 W Unit No. 2: SW/4 Sect. 7, W/2 Sect. 18 in Twp. 31 N, Rge. 8 W Unit No. 3: W/2 Sect. 19, NW/4 Sect. 30 in Twp. 31 N, Rge. 8 W / Unit No. 4: SW/4 Sect. 30, W/2 Sect. 31 in Twp. 31 N, Rge. 8 W /

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 of the above designated drilling units.

4. Weils drilled in the east halves of said sections shall be located in the northeast quarter of said section, and not closer than 990' from the outer boundaries of said quarter section.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

SEAL

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF DELHI OIL CORPORATION, DALLAS, TEXAS FOR AN ORDER PERMITTING THE COMMUNITIZ-ING OF SHORT OR NARROW QUARTER-SECTIONS ON A NORTH-SOUTH BASIS AS THEY MAY LIE ALONG THE WEST SIDE OF TOWNSHIPS 30 AND 31 NORTH, RANGE 9 WEST, FOR THE PURPOSE OF CREATING DRILLING UNITS AND ALLOWABLES APPROXIMATELY CORRESPONDING TO THE SPACING AND ALLOWABLE REQUIREMENTS OF ORDER NO. 799 RELATING TO THE BLANCO-MESAVERDE GAS POOL IN SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 236 ORDER NO. R-35

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at Santa Fe, New Mexico, at 10:00 o'clock A. M., October 24, 1950, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 1st day of December, 1950, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises,

FINDS:

A. The extreme western quarter sections of sections 6, 7, 18, 19, 30 and 31 of Townships 30 and 31 north, Range 8 west, NMPM, San Juan County, New Mexico are "narrow" quarter sections comprising approximately 100 acres each.

B. That the sections in question are within or near the areal limits of the Blanco-Mesaverde Pool.

C. That wells drilled upon "narrow" half sections would be entitled to only approximately 200/320 of the allowable assigned to a full 320 acre drilling unit. D. That waste would result from unnecessary drilling on 200-acre units.

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IT IS THEREFORE ORDERED:

1. The following "narrow" quarter sections are hereby unitized as shown below by threes, each three unitized quarter sections of approximately 300 acres each to be a drilling unit for the Mesaverde formation underlying:

> W/2 Sec. 6 and NW/4 Sec. 7 SW/4 Sec. 7 and W/2 Sec. 18 W/2 Sec. 19 and NW/4 Sec. 30 SW/4 Sec. 30 and W/2 Sec. 31 W/2 Sec. 19 and NW/4 Sec. 30 SW/4 Sec. 30 and W/2 Sec. 31

for both Townships 30 and 31 north, Range 9 west.

2. (a) Wells which may be located upon these eight unitized drilling units will be located as follows:

All to be not closer than 660 ft. to the outer boundary nor closer to the center than 330 ft. of the quarter section ("narrow") upon which it is located:

> SW/4 Sec. 6 SW/4 Sec. 18 SW/4 Sec. 19 SW/4 Sec. 30

for both Townships 30 and 31 North Range 9 west.

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(b) All wells upon the east half of the narrow sections to be located in the northeast quarter of the section not closer than 660 feet to the outer boundary nor closer than 330 feet to the center of the quarter section upon which they are located.

3. That no well shall be drilled or completed and no Notice of Intention nor drilling permit shall be approved unless one of the above designated 300 acre units is assigned to the well for allowable and proration purposes.

4. That the allowable for any unit shall in direct proportion of the acreage in the unit to 320, i. e., a 300-acre unit will receive 300/320 or 15/16 or 93.75% of a normal unit allowable for 320 acres in Mesaverde pools spaced one well to each half section.

DONE at Santa Fe, New Mexico, on this 1st day of December, 1950.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Signed by: Thomas J. Mabry, Chairman; Guy Shepard, Member, R.R. Spurrier, Secy.