

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8345
Order No. R-7728

APPLICATION OF TEXACO INC. FOR A
NON-STANDARD PRORATION UNIT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on October 3, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 9th day of November, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Texaco Inc., seeks approval of a 160-acre non-standard gas proration unit comprising the S/2 S/2 of Section 12, Township 20 South, Range 37 East, NMPM, Skaggs-Abo Gas Pool, to be dedicated to its M. B. Weir "B" Well No. 11, located at a standard location in the SE/4 SW/4 of said Section 12.

(3) The entire non-standard proration unit may reasonably be presumed productive of gas from the Skaggs-Abo Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) Approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Skaggs-Abo 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

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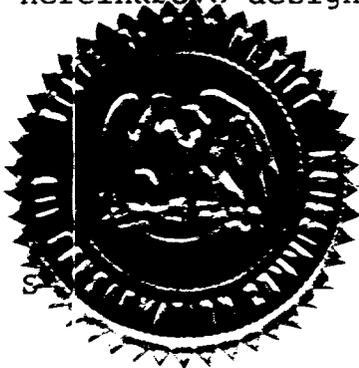
excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Texaco Inc. for a 160-acre non-standard gas proration unit in the Skaggs-Abo Gas Pool comprising the S/2 S/2 of Section 12, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby approved, said unit to be dedicated to applicant's M. B. Weir "B" Well No. 11, located at a standard location in the SE/4 SW/4 of said Section 12.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS,
Director