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BEFORE THE OIL CONSERVATION COMMISSION

IN THE MATTER OF DAMSON OIL CORPORATION'S APPLICATION FOR EXEMPTION FROM THE NEW MEXICO NATURAL GAS PRICING ACT.

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REFEVED

8468 Case No. 8469

AMENDED APPLICATION

Applicant, in the above styled cause, seeks an Order determining that the Getty Oil Company (Texaco Inc.) operated Mexico Federal "K" Well No. 1-E located 1190 feet from the South line and 2020 feet from the West line of Section 8, Township 28 North, Range 10 West, NMPM, Basin-Dakota Pool, the previously approved 319.67-acre non-standard gas proration unit comprising Lots 1, 2, and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 8 and Lots 3 and 4 and the S/2 SW/4 of partial Section 9, both in Township 28 North, Range 10 West, dedicated to the subject well in which Damson Oil Corporation owns an interest; is an authorized "infill well" within a designated pool where a second well on an established gas proration and drilling unit is necessary to recover additional gas from the pool; was drilled for the purpose of increasing the recovery of gas from the pool; and the operator has done nothing to restrict the ability of the original well in the above-described proration unit to produce into the pipeline; and, further, that the said well is exempt from the provisions of the New Mexico Natural Gas Pricing Act (NMNGPA) [62-7-1 to 62-7-10, N.M.S.A. 1978] pursuant to Laws 1984 Chap. 123 § 13(b).

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