BEFORE THE OIL CONSERVATION COMMISSION

M75.

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

OIL CONSERVATION DIVISION

11.70 1.1535

8/69 Case No. 8468

AMENDED APPLICATION

Applicant, in the above-styled cause, seeks an Order determining that the Mesa Petroleum Co. operated McLeod Well No. 2-E located 1530 feet from the North line and 930 feet from the West line of Section 34, Township 28 North, Range 10 West, NMPM, Basin-Dakota Pool, the S/2 of said Section 34 dedicated to the subject well in which Damson Oil interest; is an authorized Corporation owns an "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 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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