OIL CONSERVATION DIVISION

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

> CASE NO. 8713 Order No. R-8063

APPLICATION OF DUGAN PRODUCTION CORPORATION FOR POOL EXTENSION AND AN UNORTHODOX OIL WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO

OIL CON. DIV.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on October 9, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 3rd day of January, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- 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, Dugan Production Corporation, seeks an order extending the horizontal limits of the Gavilan-Mancos Oil Pool to include the following additional lands in Rio Arriba County, New Mexico:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Sections 1 and 2: All

Sections 11 through 14: All

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM

Sections 25 and 26: All Sections 35 and 36: All

(3) The applicant also seeks approval of an unorthodox oil well location for the Mallon Oil Co. Howard Federal Com

- (2) The application of Dugan Production Corporation for approval of an unorthodox well location for the Mallon Oil Company Howard Federal Com Well No. 8 located 1650 feet from the North line and 870 feet from the East line of Section 1, Township 25 North, Range 2 West, Rio Arriba County, New Mexico, is hereby granted.
- (3) The location of any other well currently drilling to or completed in that area of the Gavilan-Mancos Oil Pool extended herein, which well's location becomes unorthodox only as a result of application of the special rules for said pool, is hereby also approved.
- (4) 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,

Director

SEAL