

Ag. The

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:

N. W. H.

CASE NO. 1305
Order No. R-1068

IN THE MATTER OF THE APPLICATION
OF NORTHWEST PRODUCTION CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION
IN THE TAPACITO-PICTURED CLIFFS GAS
POOL, RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on September 11, 1957, at Farmington, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 9th day of October, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 and the subject matter thereof.
- (2) That the applicant, Northwest Production Corporation, is the owner of an oil and gas lease, a portion of which consists of the W/2 of Section 7, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.
- (3) That the Special Rules and Regulations for the Tapacito-Pictured Cliffs Gas Pool as set forth in Order R-794, as amended by Order R-794-A and R-794-B, provide "That all wells shall be drilled in the NE/4 or the SW/4 of the governmental sections of all units in said Tapacito-Pictured Cliffs Gas Pool."
- (4) That the applicant proposes to drill a well to the Tapacito-Pictured Cliffs Gas Pool in the NW/4 of said Section 7 rather than in the SW/4 of the section as required by the Special Rules and Regulations for the Tapacito-Pictured Cliffs Gas Pool.
- (5) That the applicant has drilled a well to the Mesaverde formation in the SW/4 of said Section 7 known as the "N" Well No. 10-7 and that the Pictured Cliffs formation encountered in said well was not sufficiently developed to warrant a dual completion therein.

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 3, 1862.

2. The second part is a report from the Secretary of the Treasury, dated January 3, 1862.

3. The third part is a report from the Secretary of the Interior, dated January 3, 1862.

4. The fourth part is a report from the Secretary of the Navy, dated January 3, 1862.

5. The fifth part is a report from the Secretary of the War, dated January 3, 1862.

6. The sixth part is a report from the Secretary of the State, dated January 3, 1862.

7. The seventh part is a report from the Secretary of the War, dated January 3, 1862.

8. The eighth part is a report from the Secretary of the War, dated January 3, 1862.

9. The ninth part is a report from the Secretary of the War, dated January 3, 1862.

10. The tenth part is a report from the Secretary of the War, dated January 3, 1862.

11. The eleventh part is a report from the Secretary of the War, dated January 3, 1862.

12. The twelfth part is a report from the Secretary of the War, dated January 3, 1862.

13. The thirteenth part is a report from the Secretary of the War, dated January 3, 1862.

14. The fourteenth part is a report from the Secretary of the War, dated January 3, 1862.

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(6) That the applicant should be authorized to drill a well to the Tapacito-Pictured Cliffs Gas Pool in the NW/4 of said Section 7 in order to permit it to recover the gas reserves thereunder.

(7) That only the NW/4 of said Section 7 should be dedicated to the proposed well until such time as the operator has proved that the SW/4 of the section can be reasonably presumed to be productive of gas from the Tapacito-Pictured Cliffs Gas Pool.

IT IS THEREFORE ORDERED:

1. That the applicant, Northwest Production Corporation, be and the same is hereby authorized to drill a well to the Tapacito-Pictured Cliffs Gas Pool in the NW/4 of Section 7, Township 26 North, Range 4 West, NMPN, Rio Arriba County, New Mexico, subject to the well location requirements of Paragraph 5 of the Special Rules and Regulations for the Tapacito-Pictured Cliffs Gas Pool as set forth in Order R-794 as amended by Order R-794-A and R-794-B.

PROVIDED HOWEVER, That only the NW/4 of said Section 7 shall be dedicated to the well for allowable purposes, until such time as the operator has established, after notice and hearing, that the SW/4 of the section can also be reasonably presumed to be productive of gas from the Tapacito-Pictured Cliffs Gas Pool.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

