

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF BENSON-MONTIN-GREER DRILLING CORP.
FOR AN UNORTHODOX WELL LOCATION
AND SIMULTANEOUS DEDICATION,
RIO ARriba COUNTY, NEW MEXICO.

CASE NO. 11595

APPLICATION

COMES NOW BENSON-MONTIN-GREER DRILLING CORP., through its attorneys, Campbell, Carr, Berge & Sheridan P. A., and hereby makes application for an order approving an unorthodox well location and simultaneous dedication, and in support thereof states:

1. Applicant is the operator of Canada Ojitos Unit located in portions of Townships 24, 25 and 26 North, Ranges 1 East and 1 West, N. M. P. M., Rio Arriba County, New Mexico and seeks authority to drill the Canada Ojitos Unit "B-22" Well at an unorthodox oil well location 227 feet from the North Line and 2480 feet from the East line of Section 22, Township 26 North, Range 1 West, N.M.P.M., Rio Arriba County, New Mexico to test the West Puerto Chiquito-Mancos Oil Pool.

2. The West Puerto Chiquito-Mancos Oil Pool is governed by Special Pool Rules and Regulations, as promulgated by Division Order No. R-6469-A, as amended, which

establish 640-acre spacing for the pool (Rule 2) and authorize only one well per 640-acre spacing unit (Rule 4(a)).

3. Applicant seeks an exception to the requirements of the Special Rules for the West Puerto Chiquito-Mancos Oil Pool to permit (a) the drilling of the Canada Ojitos Unit "B-22" Well in the Mancos formation at the above-described location and (b) the simultaneous dedication of the spacing unit comprised of all of said Section 22 to the proposed Canada Ojitos Unit "B-22" Well and the existing Canada Ojitos Unit Well No. 23 located at a previously approved unorthodox oil well location (approved by Division Administrative Order NSL-1424, dated October 7, 1981) 1302 feet from the South line and 1413 feet from the West line (Unit N) of said Section 22.

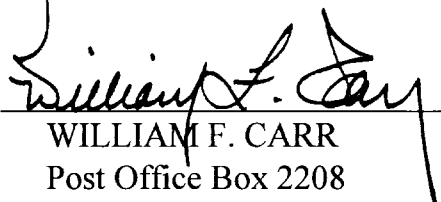
4. Approval of this application will afford Benson-Montin-Greer Drilling Corp. the opportunity to produce its just and equitable share of the oil and gas from the Mancos formation and will otherwise be in the best interest of the conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, Benson-Montin-Greer Drilling Corp. requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on August 22, 1996, and after notice and hearing as required by law, the Division enter its Order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P. A.

By:

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

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ATTORNEYS FOR BENSON-MONTIN-
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