

01. CONSERVATION DIV.
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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF CROSS TIMBERS OIL
COMPANY TO AMEND DIVISION ORDER
NOS. R-11132 AND R-11132-A FOR
SIMULTANEOUS DEDICATION AND AN
UNORTHODOX SURFACE WELL LOCATION,
SAN JUAN COUNTY, NEW MEXICO.

Case No. _____

APPLICATION

Cross Timbers Oil Company applies for an order amending Division Order Nos. R-11132 and R-11132-A to approve an unorthodox surface well location for a directional wellbore, and for simultaneous dedication in both the Dakota and Morrison formations, and in support thereof, states:

1. Applicant is the working interest owner in Section 2, Township 31 North, Range 14 West, N.M.P.M., San Juan County, New Mexico, in the unsurveyed Ute Mountain Ute Indian Reservation, and has the right to drill a well thereon.

2. Division Order No. R-11132, as amended by Division Order No. R-11132-A, approved the drilling of applicant's Ute Indians "A" Well No. 26 at an unorthodox gas well location 570 feet from the South line and 1045 feet from the East line of Section 2, to test the Paradox formation (Ute Dome-Paradox Gas Pool).

3. The Ute Indians "A" Well No. 26 was also intended to evaluate the Dakota formation (Ute Dome-Dakota Gas Pool) at a structurally high location in an untested fault block. However, because the well was successfully completed in the Paradox formation, applicant does not desire to use the well to produce hydrocarbons from the Dakota formation.

4. Applicant requests approval to drill its Ute Indians "A" Well No. 32 at an unorthodox surface location 560 feet from the south line and 1120 feet from the east line. The well will be drilled to a depth sufficient to test the Morrison formation, and will encounter the top of the Dakota formation at approximately 850 feet from the south line and 1450 feet from the east line, and the top of the Morrison formation at approximately 890 feet from the south line and 1496 feet from the east line. The bottom hole location will be approximately 1031 feet from the south line and 1656 feet from the east line.

5. Applicant further requests that the Division's orders be amended to approve simultaneous dedication in the SE¼ of Section 2, as follows:

(a) In the Dakota formation, to the existing Ute Indians "A" Well No. 20 and the proposed Ute Indians "A" Well No. 32; and

(b) In the Morrison formation, to the existing Ute Indians "A" Well No. 27 and the proposed Ute Indians "A" Well No. 32.

6. Approval of this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division grant the relief requested above.

Respectfully submitted,



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