



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

February 8, 1985

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SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Robert L. Bayless
P. O. Box 1541
Farmington, New Mexico 87499

Re: CASE NO. 8451
ORDER NO. R-7810

Applicant:

Robert L. Bayless

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8451
Order No. R-7810

APPLICATION OF ROBERT L. BAYLESS
FOR AN UNORTHODOX WELL LOCATION,
RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 16, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 8th day of February, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) 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, Robert L. Bayless, seeks approval of an unorthodox gas well location 560 feet from the South line and 890 feet from the West line of Section 16, Township 23 North, Range 4 West, NMPM, to test the Pictured Cliffs formation, Ballard Pictured Cliffs Pool, Rio Arriba County, New Mexico.

(3) The SW/4 of said Section 16 is to be dedicated to the well.

(4) A well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) No offset operator objected to the proposed unorthodox location.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable

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Case No. 8451
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share of the gas in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Robert L. Bayless for an unorthodox gas well location for the Pictured Cliffs formation is hereby approved for a well to be located at a point 560 feet from the South line and 890 feet from the West line of Section 16, Township 23 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

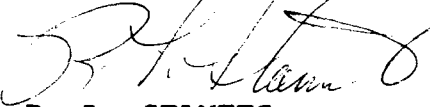
(2) The SW/4 of said Section 16 shall be dedicated to the above-described well.

(3) 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