

Entered December 2, 1969
A.P.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4274
Order No. R-3885

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN UNORTHODOX OIL WELL
LOCATION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 25, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 2nd day of December, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Pan American Petroleum Corporation, seeks an exception to the Special Rules and Regulations for the Tocito Dome-Pennsylvanian "D" Oil Pool to drill its Navajo Tribal "N" Well No. 11 at an unorthodox location 560 feet from the North line and 1150 feet from the West line of Section 17, Township 26 North, Range 18 West, NMPM, San Juan County, New Mexico, in order to be able to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the oil-water contact.

(3) That a well drilled at the proposed location is more likely to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the oil-water contact than a well drilled at a standard location for said pool and should, therefore result in greater ultimate recovery of oil.

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(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Tocito Dome-Pennsylvanian "D" Oil 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Tocito Dome-Pennsylvanian "D" Oil Pool and is hereby authorized to drill its Navajo Tribal "N" Well No. 11 at an unorthodox location 560 feet from the North line and 1150 feet from the West line of Section 17, Township 26 North, Range 18 West, NMPM, San Juan County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

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