

Entered January 27, 1972
ASP

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. 4648
Order No. R-4247

APPLICATION OF AZTEC OIL & GAS
COMPANY FOR AN UNORTHODOX 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 January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of January, 1972, 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, Aztec Oil & Gas Company, seeks an exception to Rule 2 of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool as promulgated by Order No. R-1670, as amended, to drill and complete its Vasaly Federal Well No. 1-Y at an unorthodox location 790 feet from the North line and 1775 feet from the West line of Section 31, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico, to be dedicated to a standard unit comprising the W/2 of said Section 31.

(3) That said well is to be drilled and completed as a replacement well for its Vasaly Federal Well No. 1 which was completed at an unorthodox off-pattern location 1600 feet from the North line and 1650 feet from the West line of said Section 31.

-2-

CASE NO. 4648

Order No. R-4247

(4) That due to mechanical problems said Well No. 1 is no longer capable of producing gas from the Blanco-Mesaverde Pool.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blanco-Mesaverde Gas 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.

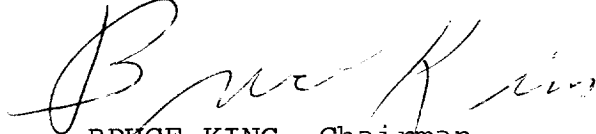
IT IS THEREFORE ORDERED:

(1) That the applicant, Aztec Oil & Gas Company, is hereby granted an exception to the well location requirements of Rule 2 of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool as promulgated by Order No. R-1670, as amended, and is hereby authorized to drill and complete its Vasaly Federal Well No. 1-Y at an unorthodox location 790 feet from the North line and 1775 feet from the West line of Section 31, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico, to be dedicated to a standard unit comprising the W/2 of said Section 31.


(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


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L
dr/