

Entered September 11, 1980
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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. 7018
Order No. R-5655-A

APPLICATION OF SHELL OIL COMPANY
FOR AN EXCEPTION TO DIVISION RULE
202(B), SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 3, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of September, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Shell Oil Company, seeks a one year extension to the exception to Division Rule 202(B), previously approved by Order No. R-5655, San Juan County, New Mexico, to permit the continued temporary abandonment of certain wells on its Carson Unit Area.

(3) That of the wells previously approved for extended temporary abandonment status, some have been plugged, some have been returned to producing status, and others have been approved for plugging and abandonment or workover to return to producing status.

(4) That the remaining wells previously approved for extended temporary abandonment but not included in one of the aforesaid categories are under study to determine the appropriate future action to be taken thereon.

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(5) That said wells are listed on Exhibit "A" attached to this order.

(6) That the applicant should be granted an exception to Division Rule 202(B) until September 1, 1981, for those Carson Unit Wells shown on Exhibit "A" of this order.

(7) That upon a showing of substantial progress in the evaluation of the future potential of the Carson Unit Wells shown on said Exhibit "A" or upon a showing that substantial numbers of said wells have been returned to production or plugged and abandoned, the Director of the Division should be authorized to grant a one-year extension of said exception to Division Rule 202(B) for said Carson Unit Wells.

(8) That the Director of the Division should be empowered to rescind the exception to Rule 202(B) granted by this order, or any extension thereto, to any well shown on said Exhibit "A" whenever it should appear that such action is necessary to protect correlative rights, to prevent waste, or to prevent the contamination of fresh waters.

(9) That approval of the subject application with provisions for an administrative procedure for extension or rescission as provided above will not cause waste nor violate correlative rights.

(10) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shell Oil Company, is hereby granted a one-year extension to the exception to the provisions of Rule 202(B) of the Division Rules and Regulations, as previously approved by Order No. R-5655, for its Carson Unit Wells in San Juan County, New Mexico, as shown on Exhibit "A" attached hereto and made a part hereof.

PROVIDED HOWEVER, that such exception shall expire one year from the date of this order unless the applicant shall have obtained an extension as hereinafter provided.

(2) That the Director of the Division may administratively grant a one-year extension to the exception herein provided upon a satisfactory showing of substantial progress in evaluation of the potential for return to production of said Carson Unit

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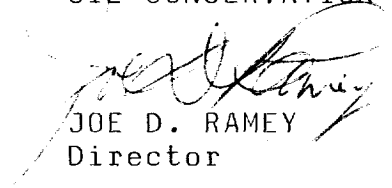
Wells or that substantial numbers of said wells have been returned to production or plugged and abandoned.

(3) That the Director of the Division may rescind the exception to Rule 202(B) granted any well under the provisions of this order whenever it should appear that such rescission is necessary to protect correlative rights, prevent waste or prevent the contamination of fresh waters.

(4) That 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



JOE D. RAMEY
Director

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CARSON UNIT WELLS

<u>Unit Well And No.</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Carson Unit 10 No. 24	N	10	25N	12W
Carson Unit 13 No. 1	P	13	25N	12W
Carson Unit 13 No. 21	C	13	25N	12W
Carson Unit 13 No. 23	K	13	25N	12W
Carson Unit 13 No. 24	N	13	25N	12W
Carson Unit 13 No. 31	B	13	25N	12W
Carson Unit 13 No. 33	J	13	25N	12W
Carson Unit 13 No. 43	I	13	25N	12W
Carson Unit 13 No. 44	P	13	25N	12W
Carson Unit 13 No. 201	E	13	25N	12W
Carson Unit 14 No. 3	G	14	25N	12W
Carson Unit 14 No. 11	D	14	25N	12W
Carson Unit 14 No. 14	M	14	25N	12W
Carson Unit 14 No. 21	C	14	25N	12W
Carson Unit 14 No. 33	J	14	25N	12W
Carson Unit 14 No. 34	O	14	25N	12W
Carson Unit 15 No. 31	B	15	25N	12W
Carson Unit 15 No. 32	G	15	25N	12W
Carson Unit 15 No. 33	J	15	25N	12W
Carson Unit 15 No. 41	A	15	25N	12W
Carson Unit 15 No. 43	I	15	25N	12W
Carson Unit 17 No. 1	F	17	25N	11W
Carson Unit 17 No. 43	I	17	25N	11W
Carson Unit 18 No. 12	E	18	25N	11W
Carson Unit 18 No. 23	K	18	25N	11W
Carson Unit 18 No. 24	N	18	25N	11W
Carson Unit 18 No. 34	O	18	25N	11W
Carson Unit 19 No. 21	C	19	25N	11W
Carson Unit 19 No. 23	K	19	25N	11W
Carson Unit 19 No. 34	O	19	25N	11W
Carson Unit 19 No. 41	A	19	25N	11W
Carson Unit 24 No. 34	O	24	25N	12W

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Exhibit "A"