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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. 6240 Order No. R-5745

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR AN UNORTHODOX OIL WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of June, 1978, 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, Bass Enterprises Production Company, seeks approval of an unorthodox oil well location for its Navajo 20 Well No. 1 to be drilled at a point ll90 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, NMPM, to test the Barker Creek-Pennsylvanian formation, San Juan County, New Mexico.

(3) That the SW/4 SE/4 of said Section 20 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

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

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic -2-Case No. 6240 Order No. R-5745

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:

(1) That an unorthodox oil well location for the Barker Creek-Pennsylvanian Pool is hereby approved for the Bass Enterprises Production Company Navajo Well No. 1 to be drilled at a point 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, NMPM, San Juan County, New Mexico.

(2) That the SW/4 SE/4 of said Section 20 shall be dedicated to the above-described well.

(3) 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 Emi Å JOE D. RAMEY / Director

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