

Entered September 5, 1978
JLR

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. 6294
Order No. R-5795

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN EXCEPTION TO RULE 2(A)
OF ORDER NO. R-1670, AS AMENDED, SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 16, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of September, 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, El Paso Natural Gas Company, seeks an exception to Rule 2(A) of Order No. R-1670, as amended, for the Blanco Mesaverde Pool to approve the unorthodox location of its EPNG "B" Well No. 1, located in Unit O of Section 28, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico, as an off-pattern well in said pool.

(3) That the E/2 of said Section 28 is to be dedicated to the well.

(4) That said unorthodox location results from the proposed completion of the Mesaverde zone in an existing Basin-Dakota Pool well.

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

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(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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:

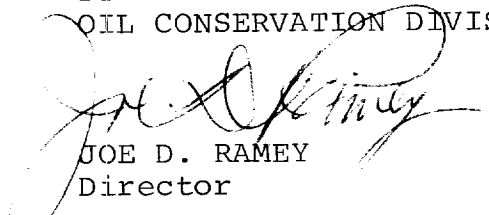
(1) That an unorthodox gas well location is hereby approved for the El Paso Natural Gas Company EPNG "B" Well No. 1, located in Unit O of Section 28, Township 32 North, Range 6 West, NMPM, Blanco Mesaverde Gas Pool, San Juan County, New Mexico.

(2) That the E/2 of said Section 28 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


JOE D. RAMEY
Director

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