Entered November 2, 1978 7 nm

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. 6350 Order No. R-5840

APPLICATION OF PETRO-LEWIS CORPORATION FOR AN UNORTHODOX WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 11, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>2nd</u> day of November, 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, Petro-Lewis Corporation, seeks approval of an unorthodox gas well location for its Florance Well No. 7 located 2028 feet from the North line and 1040 feet from the West line of Section 4, Township 25 North, Range 3 West, NMPM, to test the Mesaverde formation, Rio Arriba County, New Mexico.

(3) That said unorthodox location resulted from an error in surveying.

(4) That a final resurvey reveals said well to be located 2028 feet from the North line and 1023 feet from the West line of said Section 4.

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(5) That said well location as set out in Finding No.(4) above is no more unorthodox than the advertised location and the application should be amended to reflect the same.

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

(7) 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 for the Mesaverde formation is hereby approved for the Petro-Lewis Corporation Florance Well No. 7 located 2028 feet from the North line and 1023 feet from the West line of Section 4, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

(2) 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 OL CONSERVATION DIVISION JOE D. RAMEY Director

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