

Entered November 2, 1979
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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. 6699
Order No. R-6168

APPLICATION OF ROBERT C. ANDERSON
FOR TWO UNORTHODOX GAS WELL LOCATIONS,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of November, 1979, 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, Robert C. Anderson, seeks approval of two unorthodox gas well locations, the first being 1980 feet from the South line and 660 feet from the West line of Section 14 for his Ute Mountain Ute Well No. 1, and the second being 2310 feet from the North line and 2310 feet from the West line of Section 14 for his Ute Mountain Ute Well No. 3, both in Township 31 North, Range 16 West, NMPM, Dakota formation, San Juan County, New Mexico.

(3) That said wells were projected as oil wells in the Dakota formation and their locations staked accordingly, but were productive of gas instead.

(4) That the Dakota reservoir from which the subject wells are productive is a separate and distinct reservoir from the Basin-Dakota Pool in Rio Arriba and San Juan Counties, New Mexico, lying west of the Hogback, and a new pool should be created for said wells by the Division and placed on 160-acre spacing, at least for the present.

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(5) That the SW/4 of said Section 14 should be dedicated to the aforesaid Well No. 1 and the NW/4 of said Section 14 should be dedicated to the aforesaid Well No. 3.

(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 for the Dakota formation is hereby approved for the Robert C. Anderson Ute Mountain Ute Well No. 1, located 1980 feet from the South line and 660 feet from the West line of Section 14, and the Ute Mountain Ute Well No. 3, located 2310 feet from the North line and 2310 feet from the West line of Section 14, both in Township 31 North, Range 16 West, NMPM, undesignated Dakota gas pool, San Juan County, New Mexico.

(2) That the SW/4 of said Section 14 shall be dedicated to the above-described Well No. 1 and the NW/4 of said Section 14 shall be dedicated to the above-described Well No. 3.

(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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