Entered March 6, 1981

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. 7160 Order No. R-6613

APPLICATION OF HARLAN DRILLING COMPANY FOR AN UNORTHODOX GAS 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 February 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 1981, 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, Harlan Drilling Company, seeks approval of an unorthodox gas well location 2370 feet from the North line and 1528 feet from the West line of Section 31, Township 29 North, Range 11 West, NMPM, Fulcher Kutz-Pictured Cliffs Pool, San Juan County, New Mexico.
- (3) That the NW/4 of said Section 31 is to be dedicated to the well.
- (4) That said unorthodox location resulted from an unintentional survey error.
- (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 the application of Harlan Drilling Company for an unorthodox gas well location is hereby approved for a well located at a point 2370 feet from the North line and 1528 feet from the West line of Section 31, Township 29 North, Range 11 West, NMPM, Fulcher Kutz-Pictured Cliffs Pool, San Juan County, New Mexico.
- (2) That the NW/4 of said Section 31 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

SEAL