Entered February 18, 1983

CASE NO. 7791 Order No. R-7206

APPLICATION OF R. E. LAURITSEN FOR AN UNORTHODOX WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF

ORDER OF THE DIVISION

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

BY THE DIVISION:

CONSIDERING:

This cause came on for hearing at 9 a.m. on February 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>18th</u> day of February, 1983, 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, R. E. Lauritsen, seeks approval of an unorthodox well location 1190 feet from the North line and 1850 feet from the West line of Section 11, Township 29 North, Range 15 West, NMPM, to test the Gallup formation, Cha-Cha Gallup Pool, San Juan County, New Mexico.

(3) That the E/2 NW/4 of said Section 11 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

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share of the oil 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 R. E. Lauritsen for an unorthodox well location for the Gallup formation is hereby approved for a well to be located at a point 1190 feet from the North line and 1850 feet from the West line of Section 11, Township 29 North, Range 15 West, NMPM, Cha-Cha Gallup Pool, San Juan County, New Mexico.

(2) That the E/2 NW/4 of said Section 11 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 ame JOE D. RAMEY Director

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