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. 8695 Order No. R-8042

APPLICATION OF BENSON-MONTIN-GREER DRILLING CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on September 25, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>3rd</u> day of October, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) At the time of the hearing this case was consolidated with Division Cases Nos. 8714 and 8715 for the purposes of testimony.

(3) The applicant, Benson-Montin-Greer Drilling Corporation, seeks approval of an unorthodox oil well location 1850 feet from the North line and 870 feet from the West line of Section 6, Township 25 North, Range 1 West, NMPM, West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.

(4) All of said Section 6 is to be dedicated to the well.

(5) A well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

-2-Case No. 8695 Order No. R-8042

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

Approval of the subject application will afford the (7) applicant the opportunity to produce its just and equitable share of the oil in the affected 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 THAT:

The application of Benson-Montin-Greer Drilling (1)Corporation for an unorthodox oil well location for the West Puerto Chiquito-Mancos Oil Pool is hereby approved for a well to be located at a point 1850 feet from the North line and 870 feet from the West line of Section 6, Township 25 North, Range 1 West, NMPM, Rio Arriba County, New Mexico.

All of said Section 6 shall be dedicated to the (2) above-described well.

Jurisdiction of this cause is retained for the (3)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

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Ņ R. L. STAMETS Director

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