

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. 8990
Order No. R-8314

APPLICATION OF A. L. DAWSEY, JR. 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 8:15 a.m. on September 17, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 22nd day of September, 1986, 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) The applicant, A. L. Dawsey, Jr., seeks approval of an unorthodox oil well location 1770 feet from the South line and 970 feet from the East line of Section 11, Township 27 North, Range 1 East, NMPM, to test the Mancos formation, Undesignated East Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.

(3) The SE/4 of said Section 11 is to be dedicated to the well.

(4) Geologic evidence presented by the applicant at the hearing indicated that a well at said unorthodox location would encounter the natural fracture system within the Mancos formation, thereby better enabling the applicant to produce the oil underlying the proration unit.

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

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(6) Approval of the subject application will afford the 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:

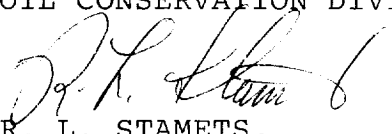
(1) The application of A. L. Dawsey, Jr. for an unorthodox oil well location for the Mancos formation is hereby approved for a well to be located at a point 1770 feet from the South line and 970 feet from the East line of Section 11, Township 27 North, Range 1 East, NMPM, Undesignated East Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.

(2) The SE/4 of said Section 11 shall be dedicated to the above-described well.

(3) 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


R. L. STAMETS,
Director

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