

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. 9025
Order No. R-8349

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 8:15 a.m. on November 5, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 12th day of November, 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, Benson-Montin-Greer Drilling Corporation, seeks approval of an unorthodox oil well location 1200 feet from the North line and 300 feet from the West line (Unit D) of Section 17, Township 25 North, Range 1 West, NMPM, West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.
- (3) All of said Section 17 is to be dedicated to the well forming a standard 640-acre oil spacing and proration unit for said pool.
- (4) A well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.
- (5) Said well and unit are within the Canada Ojitos Unit Area approved by Division Order No. R-8344 issued in Case No. 8952; therefore, there are no offset operators.

(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 Benson-Montin-Greer Drilling 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 1200 feet from the North line and 300 feet from the West line (Unit D) of Section 17, Township 25 North, Range 1 West, NMPM, Canada Ojitos Unit Area, Rio Arriba County, New Mexico.

(2) All of said Section 17 shall be dedicated to the above-described well forming a standard 640-acre oil spacing and proration unit for said pool.

(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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