

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3242
Order No. R-2910

APPLICATION OF AUSTRAL OIL COMPANY
INCORPORATED FOR AN UNORTHODOX LOCA-
TION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of May, 1965, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Austral Oil Company Incorporated, seeks an exception to the well location requirements for the Blanco-Mesaverde Gas Pool for its Bunny et al Well No. 1 located 1040 feet from the South line and 1190 feet from the East line of Section 10, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the subject well is a dual completion in the Blanco-Mesaverde Gas Pool and Basin-Dakota Gas Pool at a standard location for the Basin-Dakota Gas Pool.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blanco-Mesaverde Gas 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Austral Oil Company Incorporated, is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool and is hereby authorized to produce its Bunny et al Well No. 1 from said pool at an unorthodox location 1040 feet from the South line and 1190 feet from the East line of Section 10, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

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