

*Bee
Uztic*

*State Gas Com "BG" #1
9-2-29-10*

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. 4334
Order No. R-3950

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN UNORTHODOX GAS WELL
LOCATION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1970,
at Hobbs, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of April, 1970, 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, Pan American Petroleum Corporation,
seeks an exception to Rule 2 of the Special Rules and Regulations
governing the Blanco-Mesaverde Gas Pool as promulgated by Order
No. R-1670, as amended, to recomplete its State Gas Com "BG" Well
No. 1 at an unorthodox location 1450 feet from the North line
and 1490 feet from the West line of Section 2, Township 29 North,
Range 10 West, NMPM, San Juan County, New Mexico, to be dedicated
to a standard unit comprising the N/2 of said Section 2.

(3) That said well was drilled and completed as a Dakota
gas well at a standard location for the Basin-Dakota Gas Pool
and is off-pattern with respect to the Special Rules and Regula-
tions governing the Blanco-Mesaverde Gas Pool.



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(4) That the subject well is no longer productive of gas in the Basin-Dakota Gas Pool.

(5) 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, Pan American Petroleum Corporation, is hereby granted an exception to the well location requirements of Rule 2 of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool as promulgated by Order No. R-1670, as amended, and is hereby authorized to recomplete its State Gas Com "BG" Well No. 1 at an unorthodox location 1450 feet from the North line and 1490 feet from the West line of Section 2, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico, to be dedicated to a standard unit comprising the N/2 of said Section 2.

(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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

S E A L

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