Entered June 2, 1958

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 1432 Order No. R-1184

APPLICATION OF KING OIL COMPANY FOR APPROVAL OF THREE (3) UNORTHODOX GAS WELL LOCATIONS IN AN UNDESIGNATED TOCITO GAS POOL, 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 May 6, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this  $28^{t/2}$  day of May, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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, King Oil Company, is the owner and operator of the following described wells:

Navajo A-1 Well, located 2310 feet from the South line and 2310 feet from the West line of Section 4, Township 30 North, Range 17 West;

Navajo A-2 Well, located 1650 feet from the North line and 330 feet from the East line of Section 4, Township 30 North, Range 17 West;

Navajo B-2 Well, located 660 feet from the South line and 660 feet from the East line of Section 34, Township 31 North, Range 17 West,

all in San Juan County, New Mexico.

(3) That the three above-described wells were completed as gas wells in the Tocito formation.

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(4) That under the terms of Rule 104 of the Commission Rules and Regulations, the locations of the three above-described wells are orthodox for oil well completions, but unorthodox for gas well completions.

(5) That the above-described wells were projected as oil wells, however, upon completion said wells proved to be gas wells rather than oil wells.

(6) That the applicant requests approval of unorthodox gas well locations for its said Navajo A-1 Well, Navajo A-2 Well, and Navajo-B-2 Well.

(7) That approval of the subject application will not cause waste nor impair the correlative rights of any other operator in the area.

(8) That unless the subject application is approved, the applicant will be denied the opportunity to recover its just and equitable share of the gas in place in the Tocito formation underlying the SE/4 of said Section 34 and the NE/4 and SW/4 of said Section 4.

## IT IS THEREFORE ORDERED:

That the three (3) unorthodox gas well locations of the King Oil Company in the Tocito formation as described below be and the same are hereby approved;

Navajo A-1 Well, located 2310 feet from the South line and 2310 feet from the West line of Section 4, Township 30 North, Range 17 West;

Navajo A-2 Well, located 1650 feet from the North line and 330 feet from the East line of Section 4, Township 30 North, Range 17 West;

Navajo B-2 Well, located 660 feet from the South line and 660 feet from the East line of Section 34, Township 31 North, Range 17 West,

all in San Juan County, New Mexico.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION Z h 1 EDWIN L. MECHEM, Chairman Mendora MURRAY E. MORGAN, Member A. L. PORTER, Jr., Member & Secretary

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