Entered October 23, 1962

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. 2627 Order No. R-2328

APPLICATION OF LA PLATA GATHERING SYSTEM, INC., FOR AN UNORTHODOX GAS WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 11, 1962, at Santa Fe, New Mexico, before Elvis A. Utz Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>18th</u> day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, La Plata Gathering System, Inc., proposes to drill a gas well at an unorthodox location in the Blanco-Mesaverde Gas Pool, 1790 feet from the North line and 790 feet from the West line of Section 24, Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(3) That the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool require wells to be located 990 feet from the outer boundry of either the NE/4 or SW/4 of the section.

(4) That the applicant has failed to establish that a well drilled in the SW/4 of Section 24 in accordance with the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool will not efficiently and economically drain the NW/4 of said Section 24.

(5) That the drilling of a Blanco-Mesaverde gas well in the NW/4 of Section 24 will leave unrecoverable gas in the SW/4 of said section, thereby causing waste.

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(6) That the application should be <u>denied</u>.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(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

EDWIN L. MECHEM, Chairman

WALKER, Member Litu, M A

. L. PORTER, Jr., Member & Secretary

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