Entered May 30/968 Q.R.P.

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. 3765 Order No. R-3412

APPLICATION OF D. J. SIMMONS 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 May 16, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>20th</u> day of May, 1968, 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, D. J. Simmons, seeks approval of an unorthodox gas well location in the Blanco-Mesaverde Gas Pool for his General Petroleum-Rock Island Well No. 2 at a point 1850 feet from the North line and 810 feet from the West line of Section 24, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That said well is to serve as the unit well for a 294.91-acre gas proration unit comprising the W/2 of said Section 24.

(4) 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 Regulations governing the Blanco-Mesaverde Gas Pool. -2-CASE No. 3765 Order No. R-3412

That the aforesaid W/2 of Section 24 is presently dedi-(5) cated to the applicant's D. J. Simmons "E" Well No. 3 located at a standard location in the NE/4 SW/4 of said Section 24.

That severe mechanical problems have caused the aforesaid (6) Well No. 3 to become non-productive and prevent accomplishment of a satisfactory workover.

That the entire W/2 of said Section 24 is productive of (7) gas from the Blanco-Mesaverde Gas Pool.

(8)That approval of the subject application will afford the applicant the opportunity to produce his 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, providing the aforesaid D. J. Simmons "E" Well No. 3 is properly plugged and abandoned or temporarily abandoned in accordance with a Commission-approved program.

IT IS THEREFORE ORDERED:

That the applicant, D. J. Simmons, is hereby granted an (1)exception to the well location requirements of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool and is hereby authorized to complete his General Petroleum-Rock Island Well No. 2 at an unorthodox location 1850 feet from the North line and 810 feet from the West line of Section 24, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

(2) That Administrative Order NWU-128 is hereby cancelled.

(3) 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 1000 ******* DAVID, F. CARGO, Chairman

GUTON B. HAVE Member PORTER, Jr., Member

SEAL

esr/

& Secretary