

Entered March 15, 1977  
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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. 5862  
Order No. R-5379

APPLICATION OF PALMER OIL AND GAS  
COMPANY 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 February 16, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of March, 1977, 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, Palmer Oil and Gas Company, seeks approval of an unorthodox gas well location for its Federal 1 Well No. 1 located 1525 feet from the South line and 820 feet from the East line of Section 1, Township 31 North, Range 13 West, NMPM, to test the Mesaverde and Dakota formations, Blanco Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.
- (3) That the S/2 of said Section 1 is to be dedicated to the well.
- (4) That said unorthodox location resulted from administrative oversight.
- (5) That no offset operator objected to the proposed unorthodox location.

-2-

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Order No. R-5379

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

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Mesaverde and Dakota formations is hereby approved for applicant's Federal 1 Well No. 1 to be located at a point 1525 feet from the South line and 820 feet from the East line of Section 1, Township 31 North, Range 13 West, NMPM, Blanco Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.

(2) That the S/2 of said Section 1 shall be dedicated to the above-described well.

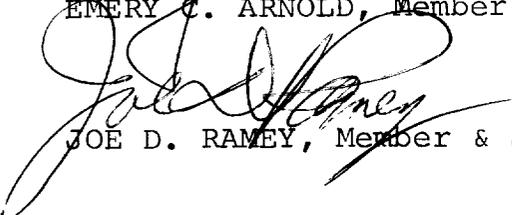
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

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