Entered September 6, 19>>

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. 6022 Order No. R-5528

APPLICATION OF CONTINENTAL OIL COMPANY 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 a.m. on August 31, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>6th</u> day of September, 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, Continental Oil Company, seeks approval of an unorthodox gas well location for its Conoco 29-4 Well No. 8 to be drilled at a point 2265 feet from the South line and 1635 feet from the West line of Section 20, Township 29 North, Range 4 West, NMPM, Gobernador-Pictured Cliffs Pool, Rio Arriba County, New Mexico.

(3) That the SW/4 of said Section 20 is to be dedicated to the well.

(4) That the need for said unorthodox location is occasioned by rugged mountains and heavy forestation at the orthodox locations in the SW/4 of said Section 20.

(5) That no offset operator objected to the proposed unorthodox location.

-2-Case No. 6022 Order No. R-5528

(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 Pictured Cliffs formation is hereby approved for the Continental Oil Company Conoco 29-4 Well No. 8 to be drilled at a point 2265 feet from the South line and 1635 feet from the West line of Section 20, Township 29 North, Range 4 West, NMPM, Gobernador-Pictured Cliffs Pool, Rio Arriba County, New Mexico.

(2) That the SW/4 of said Section 20 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 ame JOE D. RAMEY, Member & Secretary

SEAL

dr/