

Entered April 2, 1984
JMR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8068
Order No. R-7491

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR AN UNORTHODOX OIL
WELL LOCATION, SAN JUAN COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 28, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 2nd day of April, 1984, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That Division Case Nos. 8067 and 8126 were consolidated with this case at the time of hearing for the purpose of testimony.

(3) In this case the applicant, Amoco Production Company, seeks approval of an unorthodox oil well location for its Navajo Tribal "U" Well No. 28 to be located at a point 2450 feet from the South line and 2300 feet from the East line of Section 22, Township 26 North, Range 18 West, NMPM, to test the Tocito Dome-Pennsylvanian "D" Associated Pool, San Juan County, New Mexico.

(4) That the SE/4 of said Section 22 is to be dedicated to the well forming a standard 160-acre oil spacing and proration unit as provided for in Division Order R-5353, dated January 17, 1977, Special Rules and Regulations for the Tocito Dome-Pennsylvanian "D" Associated Pool.

(5) That a well at said unorthodox location will better enable applicant to produce the oil and gas underlying the proration unit.

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

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected 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:

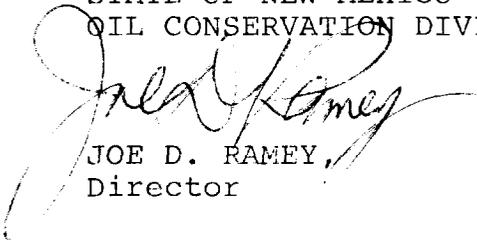
(1) That the application of Amoco Production Company for an unorthodox oil well location for the Tocito Dome-Pennsylvanian "D" Associated Pool is hereby approved for the Navajo Tribal "U" Well No. 28 to be located at a point 2450 feet from the South line and 2300 feet from the East line of Section 22, Township 26 North, Range 18 West, NMPM, San Juan County, New Mexico.

(2) That the SE/4 of said Section 22 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 Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

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