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Case 15062

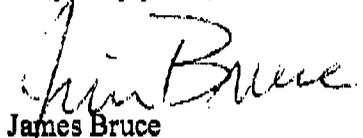
November 5, 2013

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Primero Operating, Inc., are an original and one copy of an application for an unorthodox gas well location, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set the application for the December 5, 2013 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Primero Operating, Inc.

Parties Being Pooled

Albert G. Boyce, Jr.
Boyce Resource Development Co.
P.O. Box 1870
Manteca, California 95336

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF PRIMERO OPERATING, INC.
FOR AN UNORTHODOX GAS WELL LOCATION,
ROOSEVELT COUNTY, NEW MEXICO.

Case No. 15062

APPLICATION

Primero Operating, Inc. applies for an order approving an unorthodox gas well location in the South Peterson-Pennsylvanian (Associated) Pool in the SE $\frac{1}{4}$ of Section 32, Township 5 South, Range 33 East, N.M.P.M., Roosevelt County, New Mexico, and in support thereof, states:

1. Applicant is the operator of the Grover Well No. 1, located 1930 feet from the south line and 660 feet from the east line of Section 32.

2. The Grover Well No. 1 was originally drilled to test the South Peterson-Fussleman Pool, and its location was orthodox under the special pool rules for that pool under Division Order No. R-5771.

3. The Grover Well No. 1 was subsequently plugged back and completed in the South Peterson-Pennsylvanian (Associated) Pool. Under Division Order No. R-5353-I, the South Peterson-Pennsylvanian (Associated) Pool is an associated pool under which spacing is 40 acres for an oil well (with statewide setbacks) and 320 acres for a gas well. Under the Division's general rules for associated pools, gas wells must be located no closer than 1980 feet to the end line nor closer than 660 feet to the side boundary of a well unit.

4. The well, when originally re-completed, was an oil well with no gas production, and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of was dedicated to the well. However, the well has started producing gas such that it has, or soon will, exceed a GOR of 30,000:1, which will make it a gas well under the Division's general rules for associated pools.

5. Applicant has obtained approval of a non-standard gas spacing and proration unit for the Grover Well No. 1 comprised of the SE¼ of Section 32. However, one offset owner has objected to the unorthodox gas well location.

6. Approval of the unorthodox gas well location will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting an unorthodox gas well location for the Grover Well No. 1.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Primero Operating, Inc.

PROPOSED ADVERTISEMENT

Case No. 15062:

Application of Primero Operating, Inc. for approval of an unorthodox gas well location, Roosevelt County, New Mexico. Primero Operating, Inc. seeks an order approving an unorthodox gas well location in the South Peterson-Pennsylvanian (Associated) Pool for its Grover Well No. 1, located 1930 feet from the south line and 660 from the east line of Section 32, Township 5 South, Range 33 East, N.M.P.M., Roosevelt County, New Mexico. The well will be dedicated to a previously approved non-standard gas spacing and proration unit comprised of the SE¼ of Section 32. The well unit is located approximately 13 miles southeast of Elida, New Mexico.