

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1227
Order No. R-988

APPLICATION OF JOHN J. EISNER FOR
AN ORDER AUTHORIZING TWO UNORTHODOX
WELL LOCATIONS AND TWO NON-STANDARD
GAS PRORATION UNITS IN AN UNDESIGNATED
PICTURED CLIFFS GAS POOL UNDERLYING
FRACTIONAL SECTIONS 6 AND 7 OF TOWNSHIP
26 NORTH, RANGE 2 WEST, NMPM, AND ONE
NON-STANDARD GAS PRORATION UNIT FOR THE
BLANCO-MESAVERDE GAS POOL, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on March 21, 1957 at Farmington, New Mexico before Warren W. Mankin, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 10th day of May, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Warren W. Mankin, 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 case and the subject matter thereof.

(2) That Sections 6 and 7 of Township 26 North, Range 2 West, NMPM, are both fractional sections resulting from survey corrections in the area and that Section 6 contains 165.34 acres more or less and Section 7 contains 170.32 acres, more or less.

(3) That the ownership of said fractional Section 6 is divided, E. A. Hanson owning Lots 1, 2, and 3, and John J. Eisner owning Lot 4.

(4) That the ownership of said fractional section 7 is divided, John J. Eisner owning Lots 1, 2, and 3, and Magnolia Petroleum Company owning Lot 4.

(5) That the applicant proposes to establish said Sections 6 and 7 as two separate non-standard drilling and proration units for Pictured Cliffs production and to establish both of said Sections as a single non-standard drilling and proration unit for production from the Blanco Mesaverde Gas Pool.

(6) That the applicant proposes to drill the Hanson-Federal Well No. 1 to the Pictured Cliffs formation at a point 990 feet from the North line and 682 feet from the West line of said fractional Section 6 as the unit well for said Section, and to drill the M. D. Rueckhaus Well No. 1 as a dual completion in the Pictured Cliffs and Mesaverde formations at a point 990 feet from the North line and 700 feet from the West line of said Fractional Section 7, said well to be the unit well for the Pictured Cliffs unit consisting of said Section 7 as well as the Mesaverde Unit consisting of said fractional Sections 6 and 7.

(7) That approval of the subject application will not cause waste or impair correlative rights.

(8) That the unorthodox location for the said Hanson-Federal Well No. 1 and the said M. D. Rueckhaus Well No. 1 should be approved because of the fact that said Sections 6 and 7 are both fractional sections.

(9) That the three proposed non-standard drilling and proration units should be approved upon proof of communitization of the same.

IT IS THEREFORE ORDERED:

1. That fractional Sections 6 and 7 of Township 26 North, Range 2 West, NMPM, each be established as a separate non-standard drilling and proration unit for Pictured Cliffs production and further that said fractional Sections 6 and 7 be combined and established as one single non-standard drilling and proration unit for Mesaverde production, all contingent upon proof of communitization of each unit.

2. That the applicant's proposed Hanson-Federal Well No. 1, to be drilled to the Pictured Cliffs formation at a point 990 feet from the North line and 682 feet from the West line of said fractional Section 6, be designated as the unit well for the non-standard unit consisting of said fractional Section 6, and that the applicant's proposed M. D. Rueckhaus Well No. 1, to be dually completed in the Pictured Cliffs and Mesaverde formations at a point 990 feet from the North line and 700 feet from the West line of said fractional Section 7, be designated as the unit well for the Pictured Cliffs non-standard unit consisting of said fractional Section 7 and for the Mesaverde non-standard unit consisting of said fractional Sections 6 and 7.

3. That the said Hanson-Federal Well No. 1 be granted an acreage factor for allowable purposes in the proportion that the acreage dedicated to said well bears to the acreage in a standard proration unit for the area should the same subsequently be prorated.

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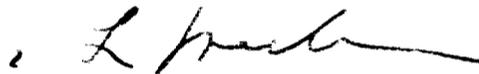
4. That the said M. D. Rueckhaus Well No. 1 be granted an acreage factor for allowable purposes for Pictured Cliffs production in the proportion that the acreage in the Pictured Cliffs non-standard unit bears to a standard unit for the area should the same subsequently be prorated.

5. That the said M. D. Rueckhaus Well No. 1 be granted an acreage factor for allowable purposes for Mesaverde production in the proportion that the acreage in the Mesaverde unit bears to a standard proration unit in the Blanco-Mesaverde Gas Pool in accordance with Rule 9 of Commission Order R-128-D.

6. That the proposed unorthodox location of the said Hanson-Federal Well No. 1 at a point 990 feet from the North line and 682 feet from the West line of said Section 6, and the said M. D. Rueckhaus Well No. 1 at a point 990 feet from the North line and 700 feet from the West line of said Section 7, be and the same are hereby approved.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



A. L. PORTER, Jr., Member & Secretary



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