

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. 1555
Order No. R-1301

APPLICATION OF H. K. RIDDLE FOR TWO
NON-STANDARD OIL PRORATION UNITS AND
FOR TWO UNORTHODOX WELL LOCATIONS IN
THE BISTI-LOWER GALLUP OIL POOL, SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 14th day of December, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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, H. K. Riddle, proposes the establishment of the two following-described non-standard oil proration units in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico:

Lots 3, 4, 9, and 10 (60.84 acres) of Section 18
Lots 3, 4, 9, and 10 (63.48 acres) of Section 19

both in Township 26 North, Range 13 West.

(3) That the applicant proposes to dedicate the 60.84-acre unit to a well to be drilled to the Bisti-Lower Gallup Oil Pool at a point 1980 feet from the South line and 252.5 feet from the West line of said Section 18, and to dedicate the 63.48-acre unit to a well to be drilled to the Bisti-Lower Gallup Oil Pool at a point 660 feet from the North line and 256 feet from the West line of said Section 19.

(4) That lot 3 in said Section 18 cannot reasonably be presumed to be productive of oil.

(5) That there is a reasonable probability that approval of the subject application would cause waste and impair correlative rights.

(6) That the applicant should be permitted to develop the subject acreage in accordance with either of the options hereinafter set forth:

OPTION I

Form one non-standard oil proration unit in the Bisti-Lower Gallup Oil Pool consisting of lots 4, 9, and 10 in said Section 18 and lots 3 and 4 in said Section 19, said unit to be dedicated to a well to be centered between the East and West lines of lot 10 in Section 18 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 10.

OPTION II

Form two non-standard oil proration units in the Bisti-Lower Gallup Oil Pool, one unit consisting of lots 4, 9, and 10 in Section 18, the other consisting of lots 3, 4, 9, and 10 of Section 19, said units to be dedicated respectively to a well to be centered between the East and West lines of lot 10 in Section 18 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 10 and to a well to be centered between the East and West lines of lot 4 in Section 19 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 4.

(7) That permitting the applicant to develop the subject acreage in accordance with either of the options set forth above will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of H. K. Riddle for two non-standard oil proration units in the Bisti-Lower Gallup Oil Pool, one unit consisting of lots 3, 4, 9, and 10 in Section 18 and the other consisting of lots 3, 4, 9, and 10 in Section 19, both in Township 26 North, Range 13 West, NMPM, San Juan County, New Mexico, be and the same is hereby denied.

(2) That the application of H. K. Riddle for two unorthodox locations for wells to be drilled on the above-described acreage to the said Bisti-Lower Gallup Oil Pool at points 1980 feet from the South line and 252.5 feet from the West line of said Section 18 and 660 feet from the North line and 256 feet from the West line of said Section 19 be and the same is hereby denied.

(3) That the applicant be and the same is hereby permitted to develop the subject acreage in accordance with either of the following options:

OPTION I

Form one 77.36-acre non-standard oil proration unit in the Bisti-Lower Gallup Oil Pool consisting of lots 4, 9, and 10 in said Section 18 and lots 3 and 4 in said Section 19, said unit to be dedicated to a well to be centered between the East and West lines of lot 10 in Section 18 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 10.

OPTION II

Form two non-standard oil proration units in the Bisti-Lower Gallup Oil Pool, one being a 45.91-acre unit consisting of lots 4, 9, and 10 in Section 18, the other being a 63.48-acre unit consisting of lots 3, 4, 9, and 10 of Section 19, said units to be dedicated respectively to a well to be centered between the East and West lines of lot 10 in Section 18 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 10 and to a well to be centered between the East and West lines of lot 4 in Section 19 and located not closer than 560 feet to the North boundary nor closer than 560 feet to the South boundary of said lot 4.

(4) That if the applicant proceeds under Option I, he shall submit proof of communitization to the Oil Conservation Commission prior to drilling the subject well.

(5) That the unit well (or wells) shall be granted an allowable in the proportion that the acreage in said unit (or units) bears to the acreage in a standard oil proration unit for

-4-

Case No. 1555
Order No. R-1301

the Bisti-Lower Gallup Oil Pool, subject to the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool as set forth in Order Nos. R-1069-B and R-1069-D.

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



ir/