

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
LA PLATA GATHERING SYSTEM, INC.,  
FOR AN ORDER AUTHORIZING AN  
UNORTHODOX GAS WELL LOCATION IN THE  
BLANCO-MESAVERDE GAS POOL,  
RIO ARRIBA COUNTY, NEW MEXICO

CASE NUMBER

2627

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO:

Comes now LA PLATA GATHERING SYSTEM, INC., as Unit Operator of the San Juan 32-5 Unit Area, and respectfully requests an exception to Order Number R-1670, Rule 2, for an unorthodox location for a well to be drilled to the Mesaverde Formation at a location 1,790 feet from the North line and 790 feet from the East line of Section 24, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, and, for cause, would show as follows:

I

The W/2 of Section 24, Township 32 North, Range 6 West, is committed to the San Juan 32-5 Unit Agreement and has become a part of the Participating Area for the Mesaverde Formation as an intervening drilling block in the Sixth Expansion of said Participating Area effective February 1, 1962. Under the applicable terms of the San Juan 32-5 Unit Agreement, a well must be commenced on this intervening drilling block on or before February 1, 1963.

II

This application for an unorthodox well location as an exception to Order Number R-1670, Rule 2, is not based on topographic conditions. A well could be physically located

on a pattern in the SW/4 of said Section 24 or the existing Dakota Formation gas well presently located in the SW/4 of Section 24 could be dually completed in the Mesaverde Formation. However, log analysis of the Mesaverde section in the San Juan 32-5 Unit Well Number 1-24 indicates the Mesaverde Formation section to be very shaley and log control from surrounding wells indicates that the Mesaverde section would, undoubtedly, have better producing characteristics in the NW/4 of said Section 24.

### III

As stated aforesaid, the W/2 of Section 24, as an intervening drilling block, is presently participating in production from the Mesaverde Formation from the San Juan 32-5 Unit Area. Pursuant to the terms of the San Juan 32-5 Unit Agreement, said tract will continue to participate in the production from said Participating Area regardless of whether or not a commercial well is completed on said tract. It is submitted that a non-commercial well on said tract will not aid the economic characteristics of the Mesaverde Participating Area for the subject Unit. On the contrary, it is submitted that it will be to the best interests of the royalty and working interest owners within such Participating Area to drill and complete such compulsory well at the most advantageous location within said drilling unit.

### IV

A plat showing the proposed location, offset wells, and offset operators is attached hereto as Exhibit "A". The ownership of all oil and gas leases within a radius of 790 feet of the proposed location is common with the ownership of the oil and gas lease under the proposed location. A surveyor's plat showing the proposed location of the subject well is attached hereto as Exhibit "B".

V

Applicant would respectfully show that the approval of the subject application will neither cause waste nor impair correlative rights.

Premises considered, the undersigned, as Operator of the San Juan 32-5 Unit Area, respectfully requests an exception to Order Number R-1670, Rule 2, of the Commission in order to provide for an unorthodox gas well location as aforesaid.

Respectfully submitted,  
LA PLATA GATHERING SYSTEM, INC.

By   
William G. Webb  
Vice President