STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 10255
Order No. R-9469

APPLICATION OF MOBIL EXPLORATION &
PRODUCING U.S. INC. FOR AN UNORTHODOX
OIL WELL LOCATION AND A NON-STANDARD OIL
PRORATION UNIT, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 7, 1991, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 25th day of March, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Mobil Exploration & Producing U.S. Inc. (Mobil), seeks approval for an unorthodox oil well location in the Undesignated West Lindrith Gallup-Dakota Oil Pool for its Lindrith "B" Unit Well No. 78 to be drilled 2030 feet from the South line and 143 feet from the West line (Unit L) of Section 6, Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico. Lots 6 and 7 and the E/2 SW/4 (SW/4 equivalent) of said Section 6 would be dedicated to the well forming a non-standard 151.34-acre oil spacing and proration unit for said pool.

(3) Mobil originally planned to drill a well at a location in the SE/4 of Section 1, Range 3 West (the section immediately west of said Section 6) on trend with its existing Lindrith "B" Unit Wells Nos. 76 and 77 also in Section 1, Range 3 West, NMPM, Rio Arriba County, New Mexico. Wells Nos. 76 and 77 both produce from the Dakota "D" Sandstone. Well No. 77 was completed on January 1, 1991 with an initial potential of 124 BOPD, 74 MCFD and 21 BWPD.

(4) An Anasazi Burial Tower and artifacts in the area prevented location of the well in the SE/4 of Section 1 as originally planned. Another location near the section line between sections 1 and 6 was considered, but could not be used because of power lines and fences; the location was then moved to the applied for location in Section 6.

(5) Mobil's witness testified that the location in Section 6 described in Finding (2) above would allow continued development of the Dakota "D" Sandstone on trend with its Lindrith "B" Unit Wells Nos. 76 and 77.

(6) No interested party appeared and objected to the applicant's request.

(7) The proposed well is within the same Lindrith "B" Unit Participating Area as the offset acreage in Section 1, and therefore there will be no impairment of correlative rights by granting this application.

(8) Approval of this application would allow Mobil to continue development of the Dakota "D" Sandstone in this area and would prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Mobil Exploration & Producing U.S. Inc. for an unorthodox oil well location and a non-standard oil proration unit for its Lindrith "B" Unit Well No. 78, Undesignated West Lindrith Gallup-Dakota Oil Pool is hereby approved.
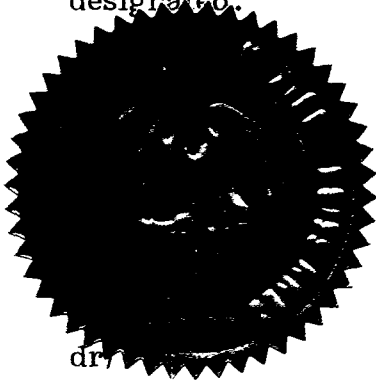
(2) Approved location is 2030 feet from the South line and 143 feet from the West line (Unit L) of Section 6, Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

(3) Lots 6 and 7 and the E/2 SW/4 (SW/4 equivalent) of said Section 6 shall be dedicated to said well forming a non-standard 151.34-acre oil spacing and proration unit for said pool.
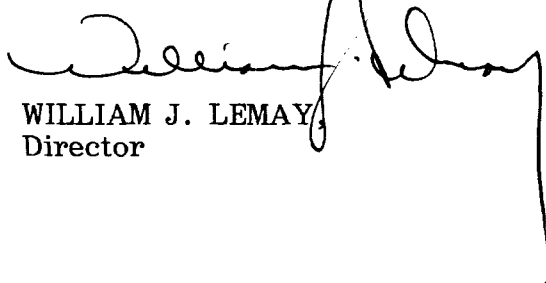
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(4) Jurisdiction of this cause is retained for the entry of such
further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director