

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 9024
Order No. R-8348

APPLICATION OF BENSON-MONTIN-GREER
DRILLING CORPORATION FOR COMPULSORY
POOLING AND AN UNORTHODOX OIL WELL
LOCATION, RIO ARriba COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 5, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 12th day of November, 1986, 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, Benson-Montin-Greer Drilling Corporation, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 20, Township 25 North, Range 1 West, NMPM, Rio Arriba County, New Mexico, to form a standard 640-acre oil spacing and proration unit for the pool, said unit to be dedicated to a well to be drilled at an unorthodox oil well location 1200 feet from the North line and 415 feet from the East line (Unit A) of said Section 20.

(3) At the time of the hearing the applicant requested that the compulsory pooling portion of this application be dismissed.

(4) A well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

(5) Said well and unit are within the Canada Ojitos Unit Area approved by Division Order No. R-8344 issued in Case No. 8952; therefore, there are no offset operators.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

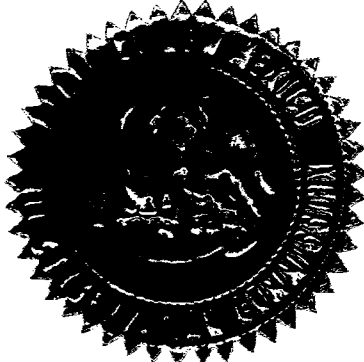
(1) The application of Benson-Montin-Greer Drilling Corporation for an unorthodox oil well location for the West Puerto Chiquito-Mancos Oil Pool is hereby approved for a well to be located at a point 1200 feet from the North line and 415 feet from the East line (Unit A) of Section 20, Township 25 North, Range 1 West, NMPM, Canada Ojitos Unit Area, Rio Arriba County, New Mexico.

(2) The applicant's request for compulsory pooling is hereby dismissed.

(3) All of said Section 20 shall be dedicated to the above-described well forming a standard 640-acre oil spacing and proration unit for said pool.

(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.



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STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets".

R. L. STAMETS
Director