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. 6854 Crder No. R-6317

APPLICATION OF JACK A. COLE FOR AN UNORTHODOX GAS WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 9, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of April, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Jack A. Cole, seeks approval of an unorthodox gas well location for his Apache Hills Well No. 6, which has been drilled at a point 1326 feet from the North line and 1843 feet from the West line of Section 17, Township 23 North, Range 3 West, NMPM, Ballard-Pictured Cliffs Pool, Rio Arriba County, New Mexico.
- (3) That the NW/4 of said Section 17 is to be dedicated to the well.
- (4) That although the location which was staked for the subject well was a standard location, the drilling rig for some unknown reason was set and the hole drilled at the abovedescribed point.
- (5) That no offset operator objected to the proposed wind orthodox location.

APR 2 1 1980 OIL CON. COM. DIST. 3 (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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:

- (1) That an unorthodox gas well location for the Pictured Cliffs formation is hereby approved for the Jack A. Cole Apache Hills Well No. 6 drilled at a point 1326 feet from the North line and 1843 feet from the West line of Section 17, Township 23 North, Range 3 West, NMPM, Ballard-Pictured Cliffs Pool, Rio Arriba County, New Mexico.
- (2) That the NW/4 of said Section 17 shall be dedicated to the above-described well.
- (3) That 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

JOÉ D. RAMEY

Director

SEAL