

OIL CONSERVATION DIVISION

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

CASE NO. 6491
Order No. R-5966

APPLICATION OF C & E OPERATORS,
INC. FOR AN UNORTHODOX WELL
LOCATION AND A NON-STANDARD
PRORATION UNIT, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 14, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this ~~30th~~ 14th day of March, 1979, 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, C & E Operators, Inc., seeks
approval of an unorthodox gas well location 1700 feet from the
South line and 1760 feet from the West line of Section 10,
Township 30 North, Range 11 West, NMPM, to test the Pictured
Cliffs formation, Aztec-Pictured Cliffs Pool, San Juan County,
New Mexico, to be dedicated to an 80-acre non-standard gas
proration unit comprising the E/2 SW/4 of said Section 10.

(3) That a well at said unorthodox location will better
enable applicant to produce the gas underlying the proration
unit.

(4) That no offset operator objected to the proposed
unorthodox location or to the proposed non-standard gas proration
unit.

(5) 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.

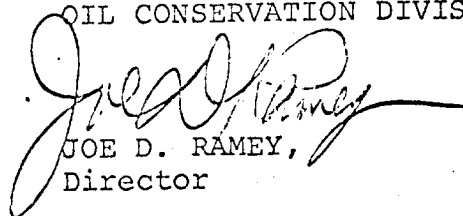
IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pictured Cliffs formation is hereby approved for a well to be located at a point 1700 feet from the South line and 1760 feet from the West line of Section 10, Township 30 North, Range 11 West, NMPM, Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, to be dedicated to an 80-acre non-standard gas proration unit comprising the E/2 SW/4 of said Section 10, which is also hereby approved.

(2) 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 DIVISION


JOE D. RAMEY,
Director

S E A L

dr/