

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3939
Order No. R-3584

APPLICATION OF AZTEC OIL & GAS
COMPANY FOR FOUR UNORTHODOX
GAS WELL LOCATIONS, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 12, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of November, 1968, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Aztec Oil & Gas Company, seeks approval of unorthodox gas well locations in the Blanco-Mesaverde Gas Pool for its following-described wells in Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico:

Richardson Well No. 7 located 1621 feet from the South line and 1584 feet from the East line of Section 15;

East Well No. 10 located 1770 feet from the North line and 790 feet from the West line of Section 26; and

-2-

CASE No. 3939

Order No. R-3584

East Well No. 8 located 790 feet from the South line and 790 feet from the East line of Section 26.

(3) That the subject wells were drilled and completed as Dakota gas wells at standard locations for the Basin-Dakota Gas Pool, and are off-pattern with respect to the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool.

(4) That a number of the wells in the subject area completed as Mesaverde wells were completed in that formation before the establishment of the present spacing rules for the Blanco-Mesaverde Gas Pool and are off-pattern for said pool.

(5) That the applicant proposes to dually complete each of the subject wells in the Basin-Dakota Gas Pool and the Blanco-Mesaverde Gas Pool.

(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 Blanco-Mesaverde Gas 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 otherwise prevent waste and protect correlative rights.

(7) That at applicant's request, its application for a fourth unorthodox gas well location in this case should be dismissed.

IT IS THEREFORE ORDERED:

(1) That the applicant, Aztec Oil & Gas Company, is hereby authorized unorthodox gas well locations in the Blanco-Mesaverde Gas Pool for its following-described wells in Township 31 North, Range 12 West, NMPM, San Juan County, New Mexico:

Richardson Well No. 7 located 1621 feet from the South line and 1584 feet from the East line of Section 15;

East Well No. 10 located 1770 feet from the North line and 790 feet from the West line of Section 26; and

-3-

CASE No. 3939

Order No. R-3584

East Well No. 8 located 790 feet from the
South line and 790 feet from the East line
of Section 26.

(2) That the applicant's request for dismissal of a fourth unorthodox location originally requested in this case is hereby granted.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/