

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1120
Order No. R-911

APPLICATION OF GUNSITE BUTTE
URANIUM CORPORATION FOR AN
UNORTHODOX GAS WELL LOCATION
IN THE TAPACITO-PICTURED CLIFFS
GAS POOL IN EXCEPTION TO
PARAGRAPH (4) OF THE SPECIAL
RULES AND REGULATIONS FOR SAID
POOL AS SET FORTH IN ORDER R-794.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m. on August 7, 1956, and again at 10:00 o'clock a.m. on October 19, 1956, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of November, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That the applicant is the operator of a federal oil and gas lease in Rio Arriba County, New Mexico, a portion of which consists of the N/2 of Section 3, Township 25 North, Range 3 West, NMPM.
- (3) That the applicant proposes to drill its Florence Well No. 3 as a gas well in the NW/4 of said Section 3 rather than in the NE/4 as required by Paragraph (4) of Order R-794.
- (4) That a gas well drilled in the NW/4 of said Section 3 would be likely to recover more of the gas in place than would a well drilled in the NE/4 thereof, due to the highly lenticular nature of the Pictured Cliffs sands in the area.
- (5) That the approval of the proposed unorthodox well location will not cause but will prevent waste and will protect correlative rights.

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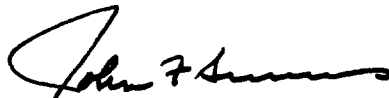
(6) That said Florence No. 3 Well is to be drilled within the horizontal and vertical limits of the Tapacito-Pictured Cliffs Pool.

IT IS THEREFORE ORDERED:

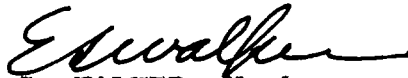
That the application of Gunsite Butte Uranium Corporation for the approval of its Florence Well No. 3 as an unorthodox well location in the Tapacito-Pictured Cliffs Gas Pool at a point at least 990 feet from the boundaries of the NW/4 of Section 3, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby approved.

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

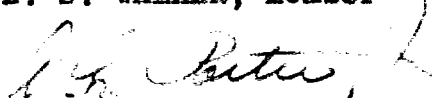
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



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



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