

CASE 5431: DAVID C. COLLIER for an
UNORTHODOX WELL LOCATION, Eddy County,
New Mexico.

CASE No.

5431

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 5, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of David C. Collier for
an unorthodox well location, Eddy
County, New Mexico.

Case No.
5431

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Steven Tucker, Esq.
Post Office Box 1537
Santa Fe, New Mexico

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2

I N D E X

PAGE

N. RAYMOND LAMB

Direct Examination by Mr. Tucker

Cross Examination by Mr. Stamets

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8

E X H I B I T S

Marked

Admitted

8

Applicant's Exhibits Nos.
1 and 2

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LAMB-DIRECT

CASE 5431
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MR. STAMETS: We'll call the next case, 5431.

MR. CARR: Case 5431. Application of David C. Collier for an unorthodox well location, Eddy County, New Mexico.

(Whereupon, a discussion

was held off the record.)

MR. TUCKER: I'm Steven Tucker, Post Office Box 1537, Santa Fe, New Mexico, appearing on behalf of David C. Collier, and I have one witness to be sworn.

MR. STAMETS: He will stand and be sworn, please.

(Witness sworn.)

N. RAYMOND LAMB

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. TUCKER:

Q Would you please state your name, where you are employed, and in what capacity?

A N. Raymond Lamb, I'm a consultant in Geological Engineering from Artesia, New Mexico.

Q Have you made a study of and are you familiar with the facts surrounding this particular Application

by David Collier?

A Yes, I have.

Q Have you previously testified before the Oil Conservation Commission and had your qualifications as an expert witness accepted and made a matter of record?

A I have.

MR. TUCKER: If the Examiner please, are the Witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. TUCKER:

Q Would you please state the purpose of this Application?

A The Application is for permission to produce an unorthodox location 2330 feet from the east line and 1980 feet from the south line of Section 33 of 18, 28, Eddy County, New Mexico, so that the well may have an allowable and be produced.

Q Is the proposed location unorthodox because of statewide rules requiring it to be 330 feet from the boundary lines of the tract?

A Yes. The location now is 310 feet from the east line of the 40-acre tract, and the events leading up to this particular situation was that on December the 16th,

LAMB-DIRECT

Dave Collier spudded the No. 1 Kersey at a legal location 330 feet from the east line and they drilled to about 1250 feet and lost the hole, which required the skidding of the rig and due to physical circumstances at the rig site the decision was made at the rig to move the location 20 feet east, apparently not knowing that this would make an illegal unorthodox location. The well then was drilled to a total depth of 2820 feet, ran 5-1/2-inch casing, perforated the San Andres Formation, top of the perfs 2654, and the bottom is 2782. Upon application for an allowable it was noticed that this 20 feet set the location as an unorthodox location and could not be produced without approval of the Commission.

Q Referring to Applicant's Exhibit No. 1, who was that prepared by?

A Both of the Exhibits were prepared by one of the owners of the property and due to serious illness in the family he was called out of town and I was asked to take his place. I have examined the Exhibits and from my own knowledge I know that they are reliable and accurate even though they were prepared by Mr. Gleason.

Q Referring to Exhibit No. 1 can you tell us what information it contains?

A Well, it is a contour map showing the structural position of the Queen Formation in this particular area showing small hives and then re-entry from the north, and it shows that it is favorably or relatively close in structure to the east offset, which is the nearest producing well at this time. I could point out at this time that

is the owner of the well to the east, which is 970 feet away, and I personally have contacted Mr. Grumb of Depco in Denver and they verbally gave me the expression that they had no objection and they had full knowledge of the situation and that they would not appear or have any objections.

Q Okay. I refer you to Exhibit No. 2. Explain what information that contains.

A It is a more detailed footage measurement as to the abandoned location and the location which was drilled, which is now the No. 1-Y Kersey.

Q Why does the Applicant want to drill the well at the unorthodox location instead of the standard location?

A Well, the standard location was the normal location, and having lost the hole at the legal location site they skidded the rig and the circumstances, as I have been able to put them together were this: They had instructions

to move the location west by 20 feet, but due to the fact that all rigs put their pits normally on the west side or on the north side, and the fact that they had insufficient physical equipment like trucks to move the rig around the pits, they made the decision on the ground to move it 20 feet to the east, which developed the unorthodox location 310 feet from the line.

Q In your opinion would approval of this Application be in the best interests of conservation, the prevention of waste and protection of correlative rights of others?

A It would let Mr. Collier produce oil that would not otherwise be produced; I'm sure that he would not be interested in drilling another well on this same 40-acre tract.

Q Do you have anything you would like to add?

A In view of the fact that the well was perforated on January the 4th of 1975, the operator has been shut-in from lack of allowable because of the unorthodox location. He would appreciate any effort from the Commission to have an early decision in this matter.

MR. TUCKER: We would move at this time admission of Exhibits 1 and 2, and I have no further questions of the Witness.

Mr. Stamets: Without objection Exhibits 1 and 2 will be admitted into evidence.

(Whereupon, Applicant's Exhibits 1 and 2 were admitted into evidence.)

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Lamb, would you say that the rig was skidded in this location in error?

A I think that would be a fair statement. I know that Mr. Collier tells me that his instructions were to move it west, but with the physical equipment they had, the moving around the pits they elected on the ground to move it 20 feet to the east and spud and drill the well, and I think that to say it was in error would be correct.

Q To require Mr. Collier to drill another well at standard location would be rather an expensive proposition?

A Yes.

Q Would that recover any more oil?

A It would not recover any more oil, and it is my opinion that the well completed and produced from this 310 feet from line would not be in violation of correlative

LAMB-CROSS

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rights so far as Depco is concerned because this was their expression to me.

MR. STAMETS: Any other questions of this Witness? He may be excused. Anything further in this Case?

MR. TUCKER: No.

MR. STAMETS: We will take the Case under advisement.

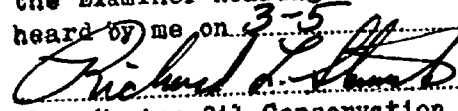
STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.



RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5431
heard by me on 3-5-1975



Richard L. Nye, Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION
OF NEW MEXICO

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

March 11, 1975

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. Steven L. Tucker
Attorney at Law
Post Office Box 1537
Santa Fe, New Mexico

Re: CASE NO. 5431
ORDER NO. R-4978

Applicant:
David C. Collier

Dear Sir:

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

Very truly yours,
A. H. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	X
Artesia OCC	X
Aztec OCC	

other.

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. 5431
Order No. R-4978

APPLICATION OF DAVID C. COLLIER
FOR AN UNORTHODOX OIL WELL
LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of March, 1975, 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, David C. Collier, seeks approval of an unorthodox oil well location for his Kersey Well No. 1-Y drilled 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico.

(3) That the NE/4 SW/4 of said Section 33 is to be dedicated to the well.

(4) That the well was drilled at said unorthodox location in error resulting from the skidding of the drilling rig away from applicant's Kersey Well No. 1, a junked and abandoned hole located 1980 feet from the South line and 2310 feet from the West line of said Section 33.

(5) That no offset operator objected to the proposed unorthodox location.

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Case No. 5431
Order No. R-4978

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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 oil well location is hereby approved for the David C. Collier Kersey Well No. 1-Y drilled at a point 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico.

(2) That the NE/4 SW/4 of said Section 33 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 Commission may deem necessary.

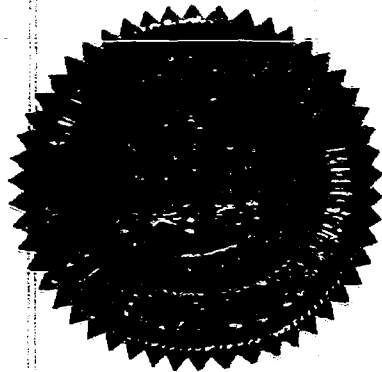
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

Phil R. Lucero
PHIL R. LUCERO, Member

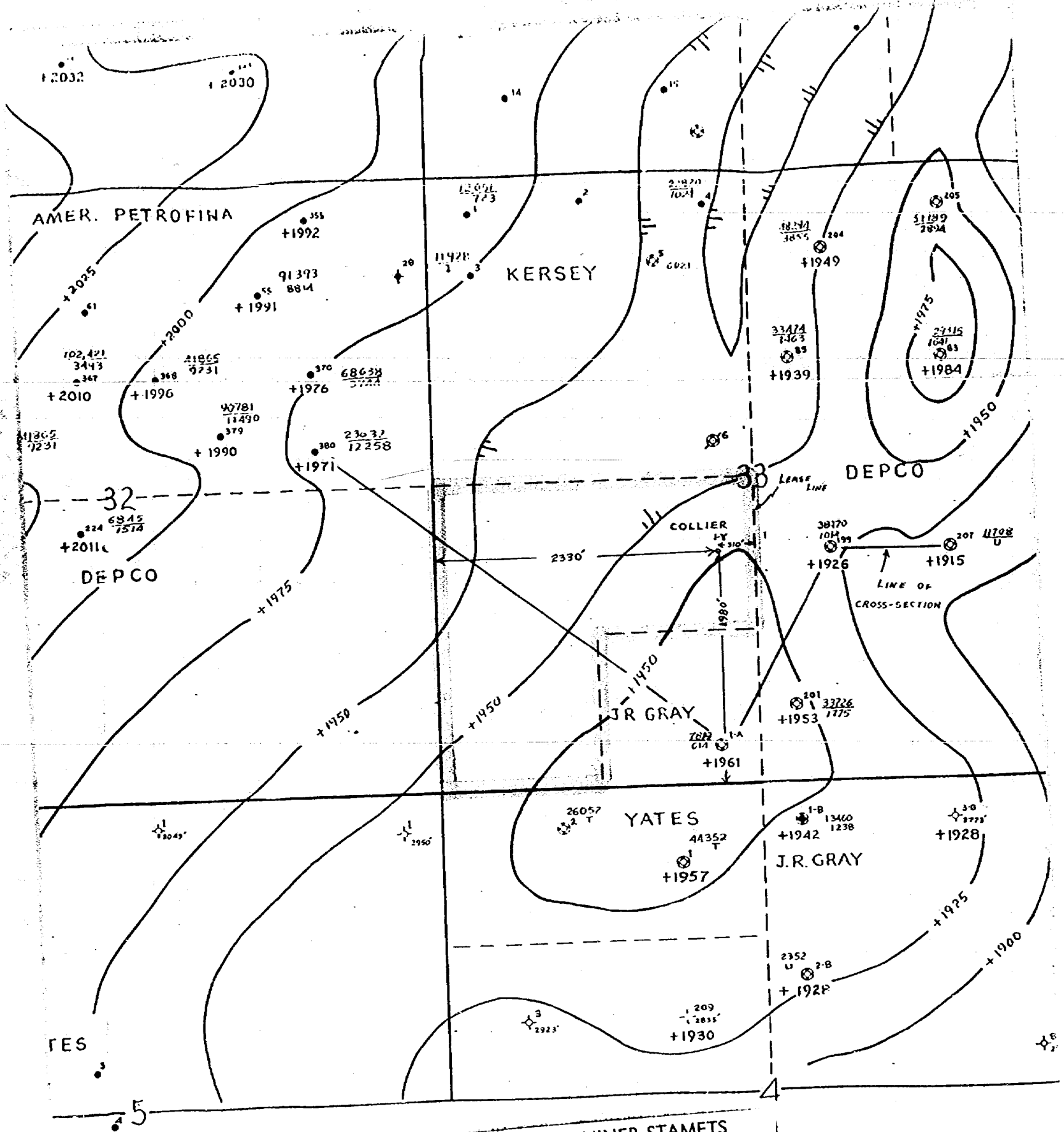
A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



S E A L

dr/

EXHIBIT I



H TWIN LAKES PROSPECT
ARTESIA FIELD
ECUO COUNTY, NEW MEXICO

R 280 BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO. 5431

Submitted by Applicant

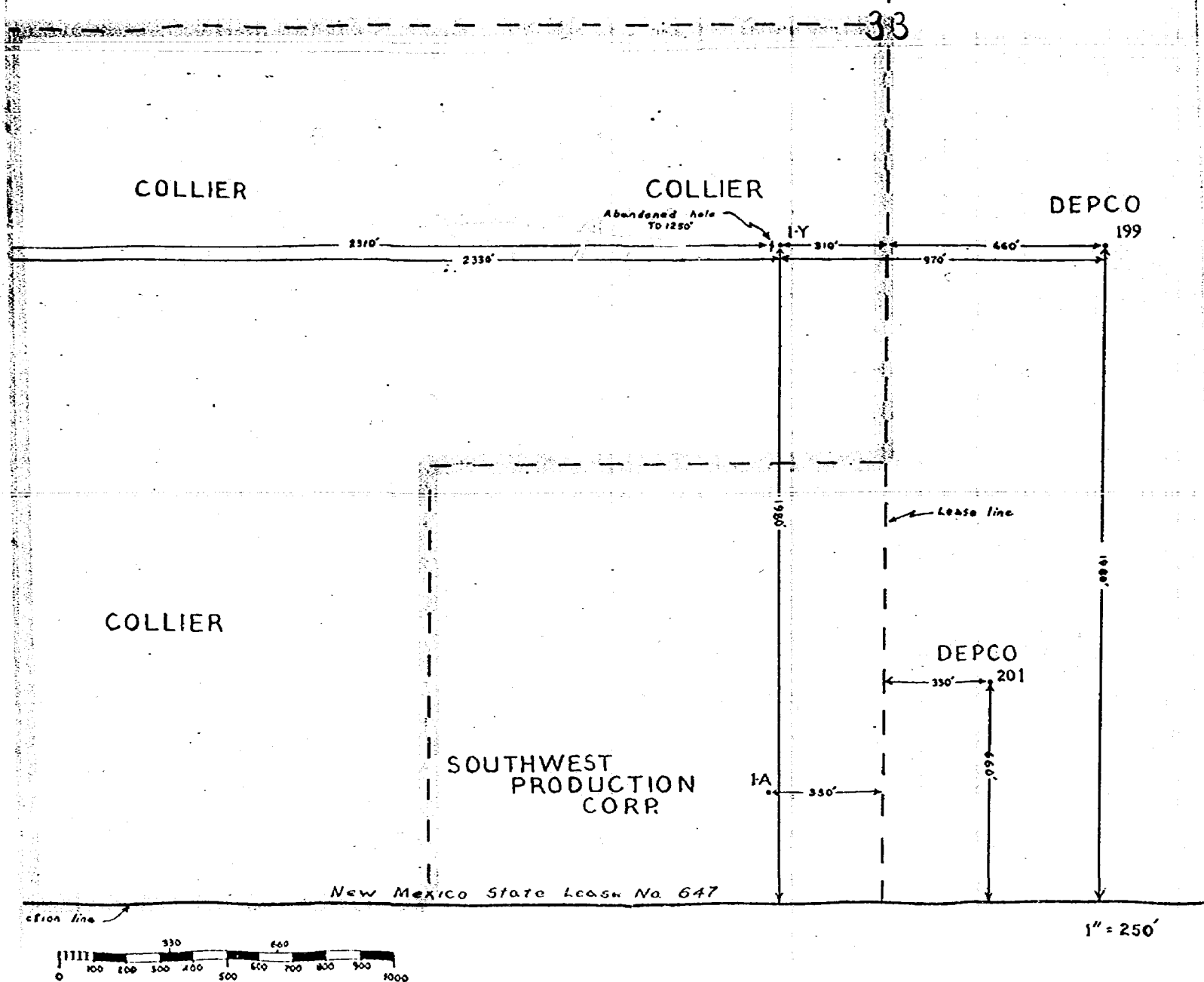
Hearing Date 3/5/70

CONTOURS: QUEEN
INTERVAL: 25'
GRAYBURG WELL
SAN ANDRES WELL
1" = 600'

13400 - Core Production
173 - 1774 Production

COLLIER PRODUCING CO

EXHIBIT II

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSIONEXHIBIT NO. KERSEYCASE NO. 5431Submitted by ApplicantHearing Date 3/5/75

DAVID C. COLLIER

No. 1-Y KERSEY

UNORTHODOX OIL WELL LOCATION

ARTESIA OIL POOL

SECTION 33, T-18-S, R-28-E EDDY COUNTY

Dockets Nos. 7-75 and 8-75 are tentatively set for hearing on March 19 and April 2, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 5, 1975

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 5425: (Continued and Readvertised)

Application of Continental Oil Company for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a non-standard 480-acre gas proration unit, comprising the W/2 of Section 13 and the E/2 E/2 of Section 14, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its Lockhart B Wells Nos. 4 and 8, located at unorthodox locations in Units H and P, respectively, of Section 14, and to its Lockhart B Well No. 7, at an unorthodox location in Unit D of said Section 13.

CASE 5408: (Continued from the February 5, 1975, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. E. Medlock and Reliance Insurance Company and all other interested parties to appear and show cause why the Queen Ridge No. 1 Well located in Unit M of Section 36, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5414: (Continued and Readvertised)

Application of Continental Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28 and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3, located, respectively, in Unit O of said Section 28 and in Unit C of said Section 33.

CASE 5429: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles M. Goad and United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Charles M. Goad, State No. 1 Well located in Unit M of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

- CASE 5431: Application of David C. Collier for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Kersey Well No. 1-Y, to be drilled 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.
- CASE 5432: Application of American Quasar Petroleum Co. of New Mexico for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Robinia Draw Unit Area, comprising 4,739 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Ranges 23 and 24 East, Eddy County, New Mexico.
- CASE 5433: Application of Southern Union Gas Company for suspension and amendment of certain provisions of Rules 14(A), 15(A), and 15(B), of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico as applied to the Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks suspension for a period of one year from April 1, 1975, of those provisions of Rules 14(A), 15(A), and 15(B), of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of underproduction and the shutting-in of overproduced wells as applied to the Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.
- CASE 5434: Application of Amoco Production Company for a pilot pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project by the injection of gas through its Navajo Tribal "U" Wells Nos. 3 and/or 8, located, respectively, in Units M and F of Section 16, Township 26 North, Range 18 West, Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico.
- CASE 5435: Application of Mesa Petroleum Co. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nash Unit Well No. 1, located in Unit H of Section 13, Township 23 South, Range 29 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation through tubing and gas from the Morrow formation through the casing-tubing annulus by means of a cross-over assembly.
- CASE 5436: Application of William G. Ross for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in formations of Pennsylvanian age or older underlying the E/2 of Section 3, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South and East lines, or in the alternative 990 feet from the South line and 660 feet from the East line of said Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5437: Application of Atlantic Richfield Company for two unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a standard 640-acre gas proration unit comprising all of Section 14, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald State WN Wells Nos. 11 and 27, located, respectively, in Units D and O of said Section 14.

CASE 5430: Southeastern New Mexico nomenclature case calling for the creation, abolishment, extension and contraction of certain pools in Eddy, Lea and Roosevelt Counties, New Mexico:

(a) CREATE A new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Avalon-Atoka Gas Pool. The discovery well is the Atlantic Richfield Company State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
SECTION 16: S/2

(b) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Southeast Bagley-Wolfcamp Pool. The discovery well is the Anderson Oil & Gas Company, Inc. Hess State Well No. 1 located in Unit L of Section 34, Township 11 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 34: SW/4

(c) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Flying "M"-Atoka Gas Pool. The discovery well is the Phillips Petroleum Company Marg "A" Com Well No. 1 located in Unit K of Section 25, Township 9 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 25: S/2

(d) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Pearl-Morrow Gas Pool. The discovery well is the Dorchester Exploration, Inc. Henry Record Well No. 1, located in Unit I of Section 26, Township 19 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: S/2

(e) ABOLISH the Arrowhead-Drinkard Pool in Lea County, New Mexico, described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SW/4

(f) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 31: SW/4

(g) CONTRACT the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, to include only the Bough formations and redesignate said South Flying "M"-Pennsylvanian Pool as the South Flying "M"-Bough Pool.

(h) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
SECTION 1: E/2
SECTION 12: E/2

(i) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

(j) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: SW/4

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 3: W/2
SECTION 10: NW/4

(k) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
SECTION 15: All
SECTION 28: All

(l) EXTEND the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
SECTION 7: E/2
SECTION 21: W/2

(m) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
SECTION 31: N/2

(n) EXTEND the Forty Miner Ridge-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
SECTION 21: N/2

(o) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
SECTION 27: N/2

(p) EXTEND the La Rica-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: All

(q) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
SECTION 18: S/2

(r) EXTEND the Todd Wolfcamp Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 27: NE/4

(s) EXTEND the Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 2: SE/4

DRAFT

dr/

Expedite

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. 5431

Order No. R-4918

APPLICATION OF DAVID C. COLLIER
FOR AN UNORTHODOX OIL WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March February 5, 1975
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this March day of February, 1975, 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, David C. Collier, seeks approval
of an unorthodox oil well location for his Kersey Well No.
1-Y ~~to be~~ drilled 1980 feet from the South line and 2330
feet from the West line of Section 33, Township 18 South,
Range 28 East, NMPM, ~~to test the~~ formation,
Artesia Pool, Eddy County, New Mexico.

(3) That the NE/4 SW/4 of said Section 33 is to be dedicated to the well.

location in error. That the well was drilled at said unorthodox Kersey Well No. 1 is a junked and abandoned hole located 1980 feet from the South line and 2310 feet from the West line of said Section 33.

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

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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 oil well location for the David C. Collier formation is hereby approved for the Kersey Well No. 1-Y ~~well~~ drilled at a point 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico.

(2) That the NE/4 SW/4 of said Section 33 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 Commission may deem necessary.

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

February 5, 1975

New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

David C. Collier, Artesia, New Mexico hereby
applies for an examiner hearing on March 5,
1975 for an unorthodox well location in
Eddy County, New Mexico. Collier seeks
approval for the unorthodox location of his
Kersey Well # No. 1-Y to be drilled 1980 feet
from the South line and 2330 feet from the
West line of Section 33, Township 18 South,
Range 28 East, Artesia Pool, Eddy County,
New Mexico.

Robert A. Gleason
3201 Douglas Drive
Midland, Texas
GEOLOGIST - PARTNER IN
#1-Y Kersey