

Entered March 6, 1974
A.S.P.

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. 5169
Order No. R-3011-A

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION AND THE AMENDMENT OF ORDER
NO. R-3011, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of March, 1974, 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, Atlantic Richfield Company, seeks approval for an unorthodox location for the Grayburg-San Andres formation for a well to be drilled at a point 1200 feet from the South line and 1250 feet from the West line of Section 24, Township 17 South, Range 32 East, NMPM, Johns Waterflood Project, Maljamar Pool, Lea County, New Mexico.
- (3) That the subject unorthodox location is proposed in order to determine whether infill drilling in the subject waterflood project will result in the recovery of oil which may otherwise not be recovered.
- (4) That the SW/4 SW/4 of said Section 24 is to be dedicated to the well.
- (5) That a well drilled at the proposed unorthodox location should better enable applicant to produce the oil underlying the proration unit.
- (6) That no offset operator objected to the proposed unorthodox location.
- (7) That the applicant further seeks the amendment of Commission Order No. R-3011, entered December 3, 1965, to provide for an administrative procedure whereby additional infill wells

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may be approved without notice and hearing when such infill wells are to be drilled at unorthodox locations within the Johns Waterflood Project area, and not closer than 330 feet to the outer boundary of said project area nor closer than 10 feet to any quarter quarter section line.

(8) 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, avoid the reduced recovery arising from the drilling of an insufficient number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to drill a well at an unorthodox location at a point 1200 feet from the South line and 1250 feet from the West line of Section 24, Township 17 South, Range 32 East, NMPM, Johns Waterflood Project, Maljamar Pool, Lea County, New Mexico.

(2) That the SW/4 SW/4 of said Section 24 shall be dedicated to the well.

(3) That Commission Order No. R-3011, entered December 3, 1965, is hereby amended to provide that the Secretary-Director of the Commission may approve the drilling of wells at unorthodox locations within the Johns Waterflood Project area without notice and hearing.

PROVIDED THAT an application for such unorthodox location is filed in such form, style, numbers, and with such notice and waiting period as may be required by paragraphs 2 and 3 of Commission Rule 104 F, or such rule as it may be revised.

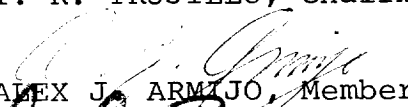
PROVIDED FURTHER, that such application is for a well to be located no closer than 330 feet to the outer boundary of the Johns Waterflood Project area nor closer than 10 feet to any quarter quarter section line.

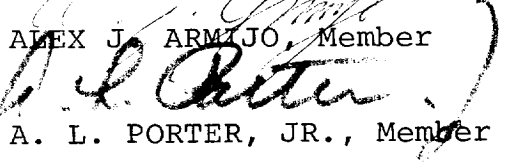
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman


ALEX J. ARMITJO, Member


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

S E A L
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