

Entered October 10, 1972
C.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. 4834
Order No. R-4414

APPLICATION OF READ & STEVENS,
INC. FOR AN UNORTHODOX LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 27, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of October, 1972, 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, Read & Stevens, Inc., seek an exception to Rule 104 of the Commission Rules and Regulations for approval of an oil well location 1200 feet from the South line and 660 feet from the East line of Section 2, Township 14 South, Range 37 East, NMPM, to test the Devonian formation adjacent to the King-Devonian Oil Pool, Lea County, New Mexico.

(3) That the SE/4 SE/4 of said Section 2 is to be dedicated to the well.

(4) That the subject area appears to be extremely faulted.

(5) That a well drilled at the proposed location may encounter hydrocarbons trapped by faults that would not be encountered by a well drilled at a standard 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.

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CASE NO. 4834

Order No. R-4414

IT IS THEREFORE ORDERED:

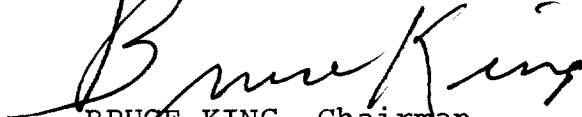
(1) That an unorthodox oil well location for the Devonian formation is hereby approved for a well to be located 1200 feet from the South line and 660 feet from the East line of said Section 2, Township 14 South, Range 37 East, NMPM, adjacent to the King-Devonian Oil Pool, Lea County, New Mexico, as an exception to Rule 104 of the Commission Rules and Regulations.

(2) That the SE/4 SE/4 of said Section 2 shall be dedicated to the above-described well.

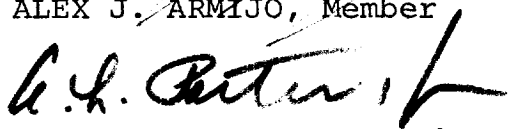
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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