

*Entered December 18, 1969
C. J. 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. 4285
Order No. R-3896

APPLICATION OF SOUTHWESTERN NATURAL
GAS, INC., FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on December 17, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of December, 1969, 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, Southwestern Natural Gas, Inc., seeks an exception to Rule 4 of the Special Rules and Regulations governing the North Osudo-Morrow Gas Pool as promulgated by Orders Nos. R-3305 and R-3305-A to drill its Osudo-State Unit Well No. 1 at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of Section 19, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the evidence indicates the entire subject section is productive of gas in the North Osudo-Morrow Gas Pool.
- (4) That the entire subject section can be efficiently and economically drained and developed by the subject well.

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(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the North Osudo-Morrow 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Southwestern Natural Gas, Inc., is hereby granted an exception to the well location requirements of Rule 4 of the Special Rules and Regulations governing the North Osudo-Morrow Gas Pool as promulgated by Orders Nos. R-3305 and R-3305-A and is hereby authorized to drill its Osudo-State Unit Well No. 1 at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of Section 19, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) 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


ALEX J. ARMIJO, Member


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

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