

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8868
Order No. R-8213

APPLICATION OF MOBIL PRODUCING
TEXAS AND NEW MEXICO INC. FOR AN
UNORTHODOX OIL WELL LOCATION, LEA
COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 2, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 29th day of April, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Mobil Producing Texas and New Mexico Inc., seeks approval of an unorthodox oil well location for its Bridges State Well No. 509 to be located 1400 feet from the North line and 125 feet from the West line of Section 23, Township 17 South, Range 34 East, NMPM, Vacuum (Grayburg-San Andres) Pool, Bridges State Waterflood Project, Lea County, New Mexico.
- (3) The above-described well is located 125 feet from the eastern boundary of the applicant's State "J" Lease comprising the NE/4 and the N/2 SE/4 of Section 22, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.
- (4) By Division Order No. R-3318, dated September 12, 1967, the applicant received authority to expand the Bridges State Waterflood Project to include two water injection wells in the State "J" Lease as described above.

(5) Within the last year the applicant has expanded its operations in the subject waterflood area by infill-drilling additional producing wells to increase the drainage in the pool and recover additional hydrocarbons which would otherwise not be drained in the existing pattern.

(6) The subject well at said unorthodox location is between two existing injection wells and should be considered an "Infill-Well" which will better enable the applicant to produce the oil underlying this portion of the waterflood area.

(7) Subsequent to the hearing the New Mexico State Land Office in Santa Fe, New Mexico provided sufficient information to show that the portion of the Bridges State Lease in Said Section 22 and all of the State "J" Lease have common ownership and have the same beneficiary.

(8) The SW/4 NW/4 (Unit E) of said Section 23 is to be dedicated to the well.

(9) The applicant is the operator of all offsetting acreage and no other interested party objected to the proposed unorthodox location.

(10) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected 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 THAT:

(1) The application of Mobil Producing Texas and New Mexico Inc. for an unorthodox oil well location for the Vacuum (Grayburg-San Andres) Pool is hereby approved for its Bridges State Well No. 509 to be located at a point 1400 feet from the North line and 125 feet from the West line of Section 23, Township 17 South, Range 34 East, NMPM, Bridges State Waterflood Project, Lea County, New Mexico.

(2) The SW/4 NW/4 (Unit E) of said Section 23 shall be dedicated to the above-described well.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS,
Director