

Entered October 23, 1962

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. 2628
Order No. R-2330

APPLICATION OF MARATHON OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 11, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

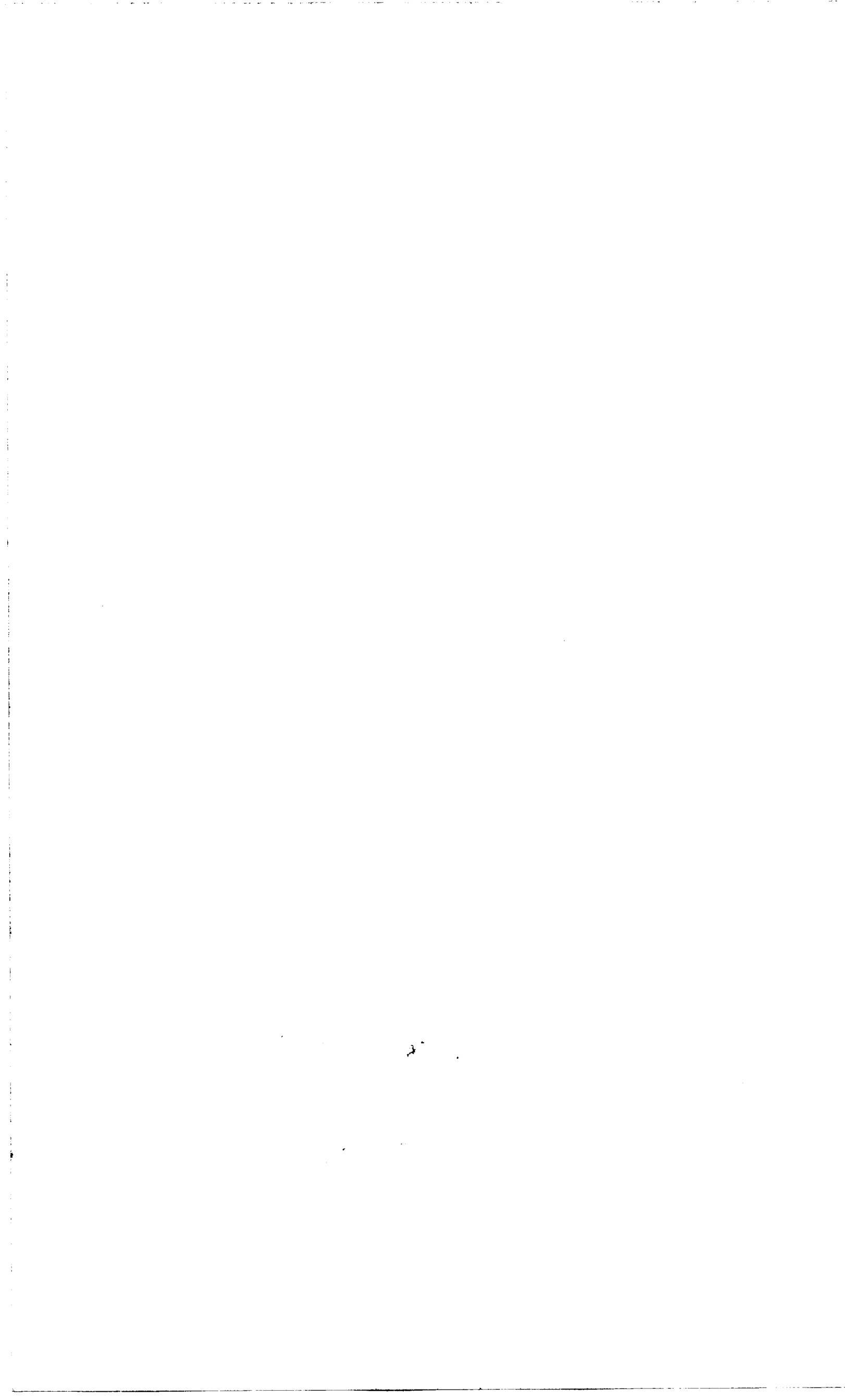
FINDS:

(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, Marathon Oil Company, seeks approval of an unorthodox gas well location in the Atoka-Pennsylvanian Gas Pool, said location to be 990 feet from the North line and 990 feet from the East line of Section 30, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That the Special Rules and Regulations for the Atoka-Pennsylvanian Gas Pool provide that each well completed or recompleted in said pool shall be located in the NW/4 of the SE/4 of the section and shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line.

(4) That the evidence establishes that productivity of Atoka-Pennsylvanian gas from the W/2 of the NW/4 of Section 30, Township 18 South, Range 26 East is doubtful and that approval of the subject application would therefore impair the correlative rights of Martin, Williams and Judson, operators of the E/2 of Section 19, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.



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(5) That the drilling of an Atoka-Pennsylvanian gas well 1295 feet from the North line and 990 feet from the East line of Section 30 will not impair correlative rights if the NE/4 and the E/2 NW/4 of Section 30, Township 18 South, Range 26 East is dedicated to said well.

(6) That the drilling of an Atoka-Pennsylvanian gas well not closer than 990 feet to the north or south unit boundaries and not closer than 2615 feet to the East line of Section 30 will not impair correlative rights if the N/2 of Section 30, Township 18 South, Range 26 East is dedicated to said well.

(7) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby denied.

PROVIDED HOWEVER, That the applicant, Marathon Oil Company, is hereby authorized to drill an Atoka-Pennsylvanian gas well at an unorthodox location not closer than 1295 feet to the North line and 990 feet to the East line of Section 30, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, and to dedicate the NE/4 and the E/2 NW/4 of Section 30, Township 18 South, Range 26 East to said well.

PROVIDED FURTHER, That, as an alternative, the applicant is hereby authorized to drill an Atoka-Pennsylvanian gas well at an unorthodox location not closer than 990 feet to the north or south unit boundaries and not closer than 2615 feet to the East line of said Section 30, and to dedicate the N/2 of Section 30, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, to said well.

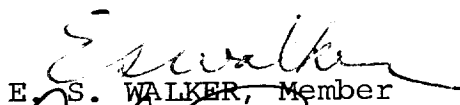
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

S E A L

esr/

