

Entered May 13 1965
10:12 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. 3230
Order No. R-2907

APPLICATION OF THE BRITISH-AMERICAN
OIL PRODUCING COMPANY FOR AN UNORTHODOX
LOCATION AND A NON-STANDARD GAS UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 7, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of May, 1965, 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, The British-American Oil Producing Company, seeks approval of an unorthodox location for its North Wilson Deep Unit Well No. 1 which is located 660 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, and completed as a wildcat Morrow gas well.

(3) That the applicant also seeks approval of a Morrow wildcat 320-acre non-standard gas proration unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, to be dedicated to the subject well.

(4) That the subject well was drilled as a Devonian wildcat oil well at a standard Devonian oil well location and encountered

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production in the Upper and Lower Bone Spring formations but said zones subsequently became uneconomic to produce and the well was recompleted as a Morrow wildcat.

(5) That the proposed non-standard proration unit can be efficiently and economically drained and developed by the subject well.

(6) That approval of the unorthodox location 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.

(7) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce its just and equitable share of the gas in the undesignated Morrow gas pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox Morrow wildcat gas well location is hereby approved for The British-American Oil Producing Company North Wilson Deep Unit Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

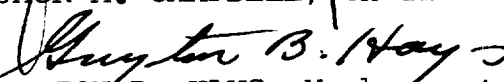
(2) That a Morrow wildcat 320-acre non-standard gas proration unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to The British-American Oil Producing Company North Wilson Deep Unit Well No. 1.


(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


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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