Entered Jan 8,1967

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. 3584 Order No. R-3260

APPLICATION OF GULF OIL CORPORATION 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 a.m. on June 6, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of June, 1967, 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, Gulf Oil Corporation, seeks authority to drill its Eddy "BD" State Well No. 1 at an unorthodox gas well location in an undesignated Strawn gas pool 660 feet from the South line and 990 feet from the East line of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.
- (3) That a well drilled at the above-described non-standard location will avoid topographic difficulties that would be encountered at a standard location in the E/2 of said Section 32.
- (4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the undesignated Strawn gas pool, will

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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, Gulf Oil Corporation, is hereby authorized to drill its Eddy "BD" State Well No. 1 at an unorthodox gas well location in an undesignated Strawn gas pool 660 feet from the South line and 990 feet from the East line of Section 32, Township 20 South, Range 30 East, NMPM, Eddy 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

UYTON B HAYS, Member

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

SEAL