

Entered September 8, 1969
A.L.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. 4192
Order No. R-3830

APPLICATION OF SOUTHWEST PRODUCTION
CORPORATION FOR AN UNORTHODOX GAS WELL
LOCATION, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of September, 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, Southwest Production Corporation,
seeks authority to drill its Buffalo Valley "Com" Well No. 2
at an unorthodox gas well location 1650 feet from the North line
and 990 feet from the East line of Section 35, Township 14 South,
Range 27 East, NMPM, Buffalo Valley-Pennsylvanian Gas Pool, Chaves
County, New Mexico, in exception to the provisions of Rule 2 of
Order No. R-1670-H.

(3) That the Special Rules and Regulations governing the
Buffalo Valley-Pennsylvanian Gas Pool provide that each well
completed or recompleted in said pool shall be located in the
northwest quarter or the southeast quarter 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 govern-
mental quarter-quarter section line.

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(4) That the proposed location, in the northeast quarter of said Section 35, is an off-pattern quarter section location.

(5) That the evidence indicates that a well drilled at the proposed non-standard location in the northeast quarter of said Section 35 should encounter a more permeable section of the Pennsylvanian sand than a well drilled at a standard location in the northwest quarter of said section and should, therefore, result in greater ultimate recovery of gas, thereby preventing waste.

(6) That approval of the proposed unorthodox location will not violate correlative rights and will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Southwest Production Corporation, is hereby authorized to drill its Buffalo Valley "Com" Well No. 2 at an unorthodox location 1650 feet from the North line and 990 feet from the East line of Section 35, Township 14 South, Range 27 East, NMPM, Buffalo Valley-Pennsylvanian Gas Pool, Chaves 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. ARMISTEAD, Member

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

S E A L

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