

*Entered October 22, 1969*

*A.J.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. 4227  
Order No. R-3855

APPLICATION OF PENROC OIL CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 22nd day of October, 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, Penroc Oil Corporation, seeks  
authority to re-enter and recomplete its Shell-Coastal States  
RLB State Well No. 1 at an unorthodox location in the West  
Ranger Lake-Devonian Gas Pool 660 feet from the South line and  
660 feet from the East line of Section 33, Township 12 South,  
Range 34 East, NMPM, Lea County, New Mexico, to be dedicated to  
a standard unit comprising the E/2 of said Section 33.

(3) That a standard location for the subject well would  
require the well to be located not closer than 660 feet to the  
nearest side boundary of the dedicated tract nor closer than  
1980 feet to the nearest end boundary nor closer than 330 feet  
to any quarter-quarter section or subdivision inner boundary.

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(4) That the subject well was drilled originally as an oil well at a standard location to test the Pennsylvanian formation, but was unproductive in the Pennsylvanian formation.

(5) That the evidence indicates that the entire E/2 of said Section 33 is productive of gas in the West Ranger Lake-Devonian Gas Pool.

(6) That approval of the 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 West Ranger Lake-Devonian Gas 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, Penroc Oil Corporation, is hereby authorized to deepen and to complete its Shell-Coastal States RLB State Well No. 1 at an unorthodox gas well location in the West Ranger Lake-Devonian Gas Pool 660 feet from the South line and 660 feet from the East line of Section 33, Township 12 South, Range 34 East, NMPM, Lea 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. ARMIJO, Member

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

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