

*Entered June 10, 1970*  
*A.P.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. 4361  
Order No. R-3974

APPLICATION OF READ & STEVENS, INC.,  
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 May 27, 1970,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of June, 1970, 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, Read & Stevens, Inc., seeks authority  
to drill a gas well at an unorthodox gas well location 990 feet  
from the South line and 990 feet from the West line of Section 6,  
Township 15 South, Range 28 East, NMPM, Buffalo Valley-Pennsyl-  
vanian Gas Pool, Chaves County, New Mexico, to be dedicated to a  
gas proration unit comprising the W/2 of said Section 6, in excep-  
tion 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 southwest quarter of said Section 6, is an off-pattern quarter section location.

(5) That the evidence indicates that a well drilled at the proposed non-standard location in the southwest quarter of said Section 6 should encounter a thicker and more prolific pay 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:

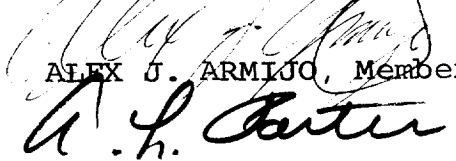
(1) That the applicant, Read & Stevens, Inc., is hereby authorized to drill a gas well at an unorthodox location 990 feet from the South line and 990 feet from the West line of Section 6, Township 15 South, Range 28 East, NMPM, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, to be dedicated to a gas proration unit comprising the W/2 of said Section 6.


(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. ARMILLO, Member

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

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