

Entered July 19, 1971
U. 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. 4566
Order No. R-4173

APPLICATION OF BLACK RIVER
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 July 14, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of July, 1971, 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, Black River Corporation, seeks an exception to Rule 104 of the Commission Rules and Regulations for approval of an unorthodox gas well location for the Black River Corporation Cities-Federal Well No. 1, located 1650 feet from the North line and 1650 feet from the West line of Section 34, Township 25 South, Range 24 East, NMPM, undesignated Morrow gas pool, Eddy County, New Mexico.

(3) That the subject well was projected as a wildcat oil well at a standard location to test the Devonian formation but was productive of gas from the Morrow formation.

-2-

CASE NO. 4566

Order No. R-4173

(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 subject undesignated Morrow 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 will otherwise prevent waste and protect correlative rights.

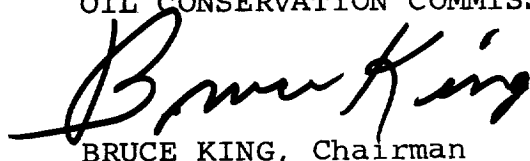
IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for the Black River Corporation's Cities-Federal Well No. 1 in an undesignated Morrow gas pool at a point 1650 feet from the North line and 1650 feet from the West line of Section 34, Township 25 South, Range 24 East, NMPM, Eddy County, New Mexico, as an exception to Rule 104 of the Commission Rules and Regulations.

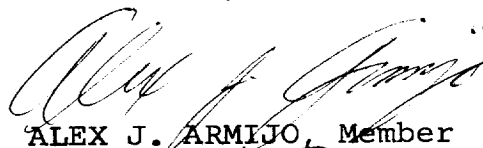
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



BRUCE KING, Chairman



ALEX J. ARMIJO, Member



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

S E A L

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