

Entered March 21, 1972
A.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. 4680
Order No. R-4254-A

APPLICATION OF MIDWEST OIL CORPORATION
FOR AN UNORTHODOX WELL LOCATION AND
AMENDMENT OF ORDER NO. R-4254, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of March, 1972, 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 by Order No. R-4254, dated February 8, 1972, a 299.93-acre non-standard gas proration unit comprising the S/2 of Section 6, Township 18 South, Range 29 East, NMPM, undesignated Morrow gas pool, Eddy County, New Mexico, was established and dedicated to a well to be drilled 1980 feet from the South line and 1980 feet from the East line of said Section 6.

(3) That the applicant seeks the amendment of said Order No. R-4254 to permit the drilling of the well on the above-described non-standard unit at a non-standard location 1980 feet from the South line and 1900 feet from the West line of said Section 6.

(4) That a well drilled at the proposed non-standard location should encounter the Morrow formation at a more favorable position structurally than a well drilled 1980 feet from the

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South line and 1980 feet from the East line of said Section 6 and should, therefore, result in greater ultimate recovery of gas, thereby preventing waste.

(5) That the evidence indicates that the entire S/2 of said Section 6 is productive of gas from the Morrow formation.

(6) That the entire S/2 of said Section 6 can be efficiently and economically drained and developed by a well drilled at the proposed non-standard location.

(7) 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 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 and protect correlative rights.

IT IS THEREFORE ORDERED:

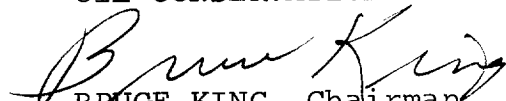
(1) That Order (3) of Order No. R-4254 is hereby amended to read in its entirety as follows:

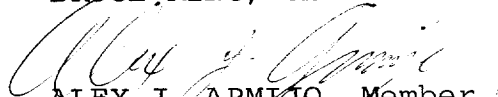
"(3) That a 299.93-acre non-standard gas proration unit in the subject undesignated Morrow gas pool comprising the S/2 of Section 6, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to a well to be drilled at a non-standard location 1980 feet from the South line and 1900 feet from the West line of said Section 6."

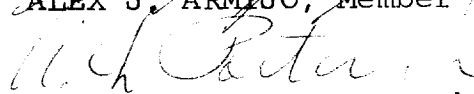
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMITO, Member


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

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