

Entered February 3, 1972
C. 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. 4654
Order No. R-4254

APPLICATION OF MIDWEST OIL COR-
PORATION FOR TWO NON-STANDARD GAS
SPACING UNITS AND 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 February 2, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of February, 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 the applicant, Midwest Oil Corporation, seeks an exception to Rule 104 of the Commission Rules and Regulations for approval of an unorthodox gas well location for its South Empire Deep Unit Well No. 1, located 1830 feet from the North line and 1639 feet from the West line of Section 6, Township 18 South, Range 29 East, NMPM, undesignated Morrow gas pool, Eddy County, New Mexico, with the N/2 of said Section 6 to be dedicated to the subject well.

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

-2-

CASE NO. 4654

Order No. R-4254

(4) That the applicant also seeks approval of two 299-acre non-standard gas proration units in the subject pool comprising the N/2 and the S/2 of said Section 6.

(5) That the unorthodox size and shape of each of the proposed non-standard units is due to variations in the United States Public Land Surveys.

(6) That the proposed non-standard gas proration unit comprising the N/2 of said Section 6 can be efficiently and economically drained and developed by the aforesaid South Empire Deep Unit Well No. 1.

(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 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 location is hereby approved for Midwest Oil Corporation's South Empire Deep Unit Well No. 1, located 1830 feet from the North line and 1639 feet from the West line of Section 6, Township 18 South, Range 29 East, NMPM, undesignated Morrow gas pool, Eddy County, New Mexico.

(2) That a 299.23-acre non-standard gas proration unit in the subject undesignated Morrow gas pool comprising the N/2 of Section 6, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to the above-described South Empire Deep Unit Well No. 1.

(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 1980 feet from the South line and 1980 feet from the East line of said Section 6.

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

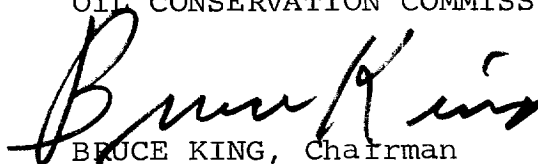
-3-

CASE NO. 4654

Order No. R-4254

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in cursive script, appearing to read "Bruce King".

BRUCE KING, Chairman

A handwritten signature in cursive script, appearing to read "Alex J. Armijo".

ALEX J. ARMIJO, Member

A handwritten signature in cursive script, appearing to read "A. L. Porter, Jr.".

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

S E A L

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