

Entered May 31, 1972
AJP

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. 4714
Order No. R-4317

APPLICATION OF THUNDERBIRD OIL
CORPORATION FOR AN UNORTHODOX
WELL LOCATION AND AMENDMENT OF
ORDER NO. R-1145, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 17, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 31st day of May, 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 applicant, Thunderbird Oil Corporation, is the current operator of the North Caprock-Queen Unit Waterflood Project, Caprock-Queen Pool, Lea County, New Mexico.

(3) That in order to evaluate the present state of the reservoir, and to determine future operations of the project, applicant proposes to drill a producing well at an unorthodox location 2,635 feet from the North line and 1,315 feet from the West line of Section 8, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.

(4) That the proposed unorthodox location is at a greater distance from the unit boundary and offset operators than a standard location.

(5) That the applicant further requests adoption of an administrative procedure for the approval of additional wells at orthodox or unorthodox locations, and for a procedure for the approval of wells for injection without a showing of response as required by Rule 701 E-5, Commission Rules and Regulations.

-2-
CASE NO. 4714
Order No. R-4317

(6) That approval of the application may result in the recovery of additional oil from the project.

(7) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Thunderbird Oil Corporation, is hereby authorized to drill a well for the production of oil from the North Caprock Queen Unit secondary recovery project at an unorthodox location 2,635 feet from the North line and 1,315 feet from the West line of Section 8, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) That the Secretary-Director of the Commission is hereby authorized to approve such additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the North Caprock Queen Unit as may be necessary to drain, develop or complete an efficient production and injection pattern; provided said wells are drilled no closer than 330 feet to the outer boundary of said North Caprock Queen Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary, and provided further, that the application therefor has been filed in accordance with Rule 701-B of the Commission Rules and Regulations, and provided further, that a copy of the application has been sent to all operators owning acreage offsetting the quarter-quarter section upon which the well is to be located, if any there be, and no such operator has objected within 20 days. The Secretary-Director may grant immediate approval of the application upon receipt of written waivers of objection from all such offset operators. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval of additional wells as water injection wells.


(3) 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. ARMILLO, Member


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

S E A L

dr/