

Entered May 11, 1973
R.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. 4941
Order No. R-4514

APPLICATION OF PENNZOIL COMPANY
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 April 11, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 17th day of May, 1973, 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, Pennzoil Company, seeks approval of a gas well location 1980 feet from the North line and 660 feet from the East line of Section 13, Township 18 South, Range 25 East, NMPM, to test the Morrow formation, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the N/2 of said Section 13 is to be dedicated to the well.

(4) That the proposed well will be a replacement well for the well to which the unit is presently dedicated.

(5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(6) That no offset operator objected to the proposed unorthodox 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

-2-

Case No. 4941

Order No. R-4514

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 for the Morrow formation is hereby approved for a well to be located at a point 1980 feet from the North line and 660 feet from the East line of Section 13, Township 18 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the N/2 of said Section 13 shall be dedicated to the above-described well.

(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


I. R. TRUJILLO, Chairman


ALEX J. ARREJO, Member


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

S E A L

dr/