

Entered November 1, 1973
A.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. 5096
Order No. R-4663

APPLICATION OF H. L. BROWN, JR.
FOR A NON-STANDARD GAS PRORATION
UNIT AND 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 October 31, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of November, 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, H. L. Brown, Jr., seeks approval for a 320-acre non-standard gas proration unit comprising the SE/4 of Section 15 and the E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 22, all in Township 17 South, Range 29 East, NMPM, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox gas well location 330 feet from the South line and 330 feet from the East line of said Section 15.

(3) That the proposed non-standard proration unit appears to overlies a Morrow channel sand and may reasonably be presumed productive of gas from the Grayburg-Morrow Gas Pool.

(4) That the creation of this non-standard gas proration unit should not result in the creation of additional non-standard units.

(5) That approval of the proposed non-standard proration unit will afford the applicant the opportunity to produce his just and equitable share of the gas from the Grayburg-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.

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(6) That the applicant seeks approval of said unorthodox gas well location in order to avoid an old shallow well located 660 feet from the South line and 660 feet from the East line of said Section 15.

(7) That the offset operator has objected to the proposed unorthodox location.

(8) That the evidence presented indicates that a well drilled at a standard location for the proposed 320-acre non-standard proration unit can efficiently and economically drain the entire non-standard proration unit while avoiding the aforesaid old shallow well.

(9) That the application for an unorthodox gas well location should be denied.

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard gas proration unit in the Grayburg-Morrow Gas Pool comprising the SW/4 of Section 15 and the E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 22, all in Township 17 South, Range 29 East, NMPM, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, is hereby approved, said non-standard unit to be dedicated to a well to be drilled at a standard location in said unit.

(2) That the application for an unorthodox gas well location is hereby DENIED.

(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. ARMIJO, Member


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

S E A L

jr/