

Entered November 16, 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. 5057
Order No. R-4670

APPLICATION OF COQUINA OIL
CORPORATION FOR AN UNORTHODOX
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16, 1973, at Santa Fe, New Mexico, before the Oil Conservation Commission.

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, Coquina Oil Corporation, seeks authority to drill a proposed gas well at an unorthodox location 330 feet from the South line and 330 feet from the East line of Section 12, Township 18 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(3) That, in the alternative, the applicant seeks approval of an unorthodox location 660 feet from the South line and 660 feet from the East line of said Section 12.

(4) That the South half of said Section 12 would be dedicated to the well.

(5) That the offset operators have objected to the proposed 330-foot location.

(6) That no offset operator has objected to the proposed 660-foot location.

(7) That the applicant has failed to sustain its burden of proof to show that approval of the 330-foot location is necessary to protect its correlative rights.

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(8) That the application for authority to drill the proposed well at the aforesaid 330-foot location should be denied.

(9) That approval of the proposed 660-foot unorthodox location will afford the applicant the opportunity to produce its just and equitable share of the gas from the West Atoka-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 the application of Coquina Oil Corporation for approval of an unorthodox location 330 feet from the South line and 330 feet from the East line of Section 12, Township 18 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico, is hereby denied.

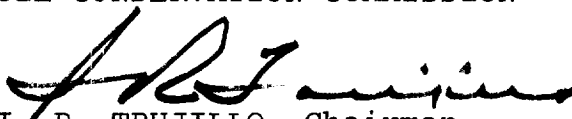
(2) That the applicant, Coquina Oil Corporation, is hereby granted authority to drill a gas well at an unorthodox location 660 feet from the South line and 660 feet from the East line of Section 12, Township 18 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the S/2 of said Section 12 shall be dedicated to the subject well.

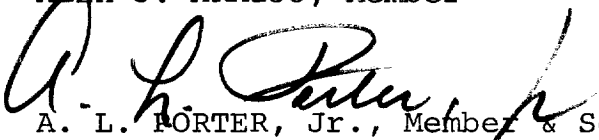
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

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