

*Entered January 15, 1974*  
*A.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. 5073  
Order No. R-4699

APPLICATION OF BELCO PETROLEUM  
CORPORATION FOR A NON-STANDARD GAS  
PRORATION UNIT AND UNORTHODOX  
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 3, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of January, 1974, 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, Belco Petroleum Corporation, seeks approval for a 320-acre non-standard gas proration unit comprising the E/2 SW/4 and SE/4 of Section 30 and the N/2 NE/4 of Section 31, all in Township 20 South, Range 33 East, NMPM, South Salt Lake Field, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 1300 feet from the East line of said Section 30.

(3) That the applicant requests approval of the non-standard unit because it believes that the W/2 SW/4 of Section 30 is already committed to a participating area for Morrow production and may not participate in production from a standard unit consisting of the S/2 of Section 30.

(4) That the applicant seeks approval of the proposed unorthodox location for the purpose of avoiding an existing potash lease underlying Section 30.

-2-

Case No. 5073  
Order No. R-4699

(5) That the working interest owner of the W/2 SW/4 of Section 31 is willing and able to participate in a standard unit consisting of the S/2 of Section 31.

(6) That creation of the proposed non-standard gas proration unit would result in the formation of other non-standard units.

(7) That the owner of the W/2 SW/4 of Section 30 has objected to the proposed non-standard unit.

(8) That the application for a non-standard gas proration unit should be denied.

(9) That approval of the application for the proposed unorthodox location will allow the operator to avoid an existing potash lease underlying the W/2 SE/4 of said Section 30, enable the applicant to recover his just and equitable share of the gas in the South Salt Lake Field, and prevent waste and protect correlative rights.

(10) That no offset operator has objected to the proposed unorthodox location.

(11) That the application for an unorthodox gas well location should be approved.

IT IS THEREFORE ORDERED:

(1) That the application for a non-standard gas proration unit is hereby denied.

(2) That the applicant is hereby authorized to drill a gas well at an unorthodox location 660 feet from the South line and 1300 feet from the East line of Section 30, Township 20 South, Range 33 East, NMPM, South Salt Lake Field, Lea County, New Mexico.

(3) That the S/2 of Section 30, Township 20 South, Range 33 East, NMPM, South Salt Lake Field, Lea County, New Mexico, shall be dedicated to said well.

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

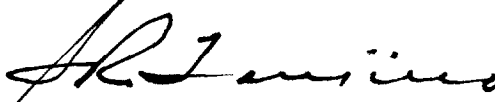
-3-

Case No. 5073

Order No. R-4699

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
I. R. TRUJILLO, Chairman

  
ALEX J. ARMILJO, Member

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

S E A L

dr/

