

Entered July 22, 1975
JHR

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. 5512
Order No. R-5067

APPLICATION OF NRM PETROLEUM
CORPORATION 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 July 2, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of July, 1975, 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, NRM Petroleum Corporation, seeks approval of an unorthodox gas well location 910 feet from the North line and 660 feet from the West line of Section 33, Township 20 South, Range 30 East, NMPM, to test the Pennsylvanian formation, Golden Lane Gas Field, Eddy County, New Mexico.

(3) That the W/2 of said Section 33 is to be dedicated to the well.

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

(5) That an offset operator with production from the Golden Lane-Strawn Gas Pool in the S/2 of Section 29, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, has objected to the proposed well location for the Strawn formation.

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

(7) That a well at the proposed location will have an area of drainage in the Strawn formation which extends 19 net acres into the S/2 of Section 29, Township 20 South, Range 30 East, NMPM, more than permitted under a standard location for the Golden Lane-Strawn Gas Pool.

(8) That to offset the advantage gained over the protesting offset operator, production from the well at the proposed unorthodox location should be limited from the Strawn formation.

(9) That such limitation should be based upon the 19 net acre encroachment described in Finding No. (7) above, and may best be accomplished by assigning a well at the proposed location a ratable take factor of 0.94 (320 minus 19, divided by 320).

(10) That approval of the subject application subject to the above limitation will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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 an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 910 feet from the North line and 660 feet from the West line of Section 33, Township 20 South, Range 30 East, NMPM, Golden Lane Gas Field, Eddy County, New Mexico.

(2) That the W/2 of said Section 33 shall be dedicated to the above-described well.

(3) That said well is hereby assigned a ratable take factor of 0.94 in the Strawn formation, and the operator of the well, upon completion and connection thereof to a gas pipeline, shall notify the gas purchaser of the ratable take factor.


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

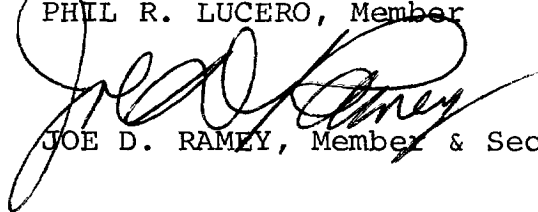
-3-

Case No. 5512
Order No. R-5067

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Member


JOE D. RAMSEY, Member & Secretary

S E A L

dr/

Signed November 10, 1969

A.P.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. 3928
Order No. R-3586-A

APPLICATION OF JAKE L. HAMON
FOR THE CREATION OF A NEW OIL
POOL AND FOR SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of November, 1969, 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 by Order No. R-3586, dated November 21, 1968, temporary Special Rules and Regulations were promulgated for the East Shoe Bar-Devonian Pool, Lea County, New Mexico, establishing 80-acre spacing units for a period of one year.
- (3) That pursuant to the provisions of Order No. R-3586, this case was reopened to allow the operators in the subject pool to appear and show cause why the East Shoe Bar-Devonian Pool should not be developed on 40-acre spacing units.
- (4) That the evidence establishes that one well in the East Shoe Bar-Devonian Pool can efficiently and economically drain and develop 80 acres.
- (5) That the Special Rules and Regulations promulgated by Order No. R-3586 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

-2-

CASE No. 3928

Order No. R-3586-A

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-3586 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the East Shoe Bar-Devonian Pool, Lea County, New Mexico, promulgated by Order No. R-3586, are hereby continued in full force and effect until further order of the Commission.

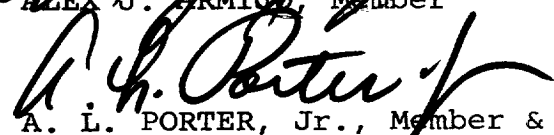
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMILLO, Member


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

S E A L

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