

Entered July 22, 1975  
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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. 5519  
Order No. R-5068

APPLICATION OF WESTERN OIL PRODUCERS,  
INC. 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, Western Oil Producers, Inc., seeks approval of an unorthodox gas well location of a proposed Devonian oil test well, in the event said well should also be completed as a gas well in the Morrow formation, 660 feet from the South line and 2310 feet from the West line of Section 25, Township 17 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the W/2 of said Section 25 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 in and adjacent to the West Atoka-Morrow Gas Pool the primary producing interval is a channel sand or sands of limited lateral extent.

(6) That in said pool, to develop and drain their acreage, most operators have drilled and completed wells located within 660 feet of the end line of their 320-acre drilling tract.

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(7) That no operator has objected, or in this case objects to, the drilling of a well in or adjacent to said pool at a location within 660 feet of any 320-acre gas proration unit boundary for said pool.

(8) That an offset operator with interests in the West Atoka-Morrow Gas Pool in the E/2 of Section 25 and the N/2 of Section 36, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, has objected to the proposed location being closer than 660 feet to the East line of the proposed proration unit.

(9) That said offset operator does not object to said well being located within 660 feet of the South line of the proposed gas proration unit.

(10) That a well at the proposed location will have an area of drainage in the Morrow formation which extends 20 net acres into the E/2 of Section 25, Township 17 South, Range 25 East, NMPM, more than a well located 660 feet from the center line of said Section 25.

(11) 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 Morrow formation.

(12) That such limitation should be based upon the 20 net acre encroachment described in Finding No. (10) above, and may best be accomplished by assigning a well at the proposed location a ratable take factor of 0.94 (320 minus 20, divided by 320).

(13) 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 of a proposed Devonian oil test well, in the event said well should also be completed as a gas well in the Morrow formation, is hereby approved for a well to be located at a point 660 feet from the South line and 2310 feet from the West line of Section 25, Township 17 South, Range 25 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the W/2 of said Section 25 shall be dedicated to the above-described well.

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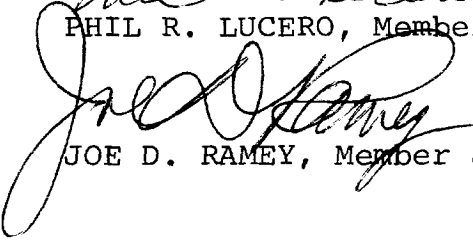
(3) That said well is hereby assigned a ratable take factor of 0.94 in the Morrow formation, and the operator of the well, upon completion and connection thereof to a gas pipeline, shall notify the gas purchaser of the ratable take factor.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
PHIL R. LUCERO, Member

  
JOE D. RAMEY, Member & Secretary

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*Entered November 26, 1968*  
*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. 3946  
Order No. R-3587

APPLICATION OF COASTAL STATES GAS  
PRODUCING COMPANY FOR THE REDESIG-  
NATION OF THE BAUM-UPPER PENNSYL-  
VANIAN AND LAZY J-PENNSYLVANIAN  
POOLS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:30 a.m. on November 20, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 26th day of November, 1968, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3946 is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*David F. Cargo*  
DAVID F. CARGO, Chairman

*Guyton B. Hays*  
GUYTON B. HAYS, Member

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

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