Entered January 14, 19>6

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. 5611 Order No. R-5153

APPLICATION OF DAVID C. COLLIER FOR AN UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 7, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>14th</u> day of January, 1976, 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, David C. Collier, seeks approval of an unorthodox oil well location for his Welch State No. 7 Well, 1330 feet from the South line and 1330 feet from the West line of Section 17, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico, said well having formerly been a water injection well.

(3) That the NE/4 SW/4 of said Section 17 is to be dedicated to the well.

(4) That there is currently no well producing from the Artesia Pool on the proration units immediately south of applicant's Welch State Well No. 7.

(5) That a well at said unorthodox location will enable applicant to produce the oil underlying the proration unit which would not otherwise be produced.

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

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(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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 oil well location is hereby approved for applicant's Welch State No. 7 Well located at a point 1330 feet from the South line and 1330 feet from the West line of Section 17, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico.

(2) That the NE/4 SW/4 of said Section 17 shall be dedicated to the above-described well.

(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

PHIL R. LUCERO, Chairman

EMERY ARNOLD Member

OE D. RAMEY, Member & Secretary

SEAL

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