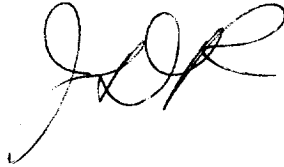


Entered March 23, 1976



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. 5636
Order No. R-5182

APPLICATION OF JULIAN ARD FOR
AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 17, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 23rd day of March, 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, Julian Ard, seeks approval of an unorthodox oil well location in the center of the SW/4 SE/4 of Section 32, Township 9 South, Range 37 East, NMPM, to test the San Andres formation, West Sawyer-San Andres Pool, Lea County, New Mexico, in exception to the provisions of Rule 4, Order No. R-3850.

(3) That the W/2 SE/4 of said Section 32 is to be dedicated to the well.

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

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

(6) 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.

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Case No. 5636

Order No. R-5182

IT IS THEREFORE ORDERED:


(1) That an unorthodox oil well location for the San Andres formation is hereby approved for a well to be located in the center of the SW/4 SE/4 of Section 32, Township 9 South, Range 37 East, NMPM, West Sawyer-San Andres Pool, Lea County, New Mexico, in exception to the provisions of Rule 4 of Order No. R-3850.

(2) That the W/2 SE/4 of said Section 32 shall be dedicated to the above-described well.

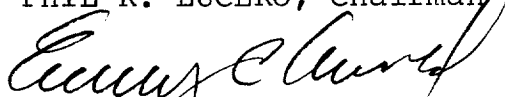
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

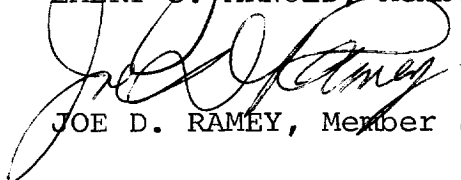
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

dr/

