

Entered January 25, 1977
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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. 5826
Order No. R-5280-A

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, 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, Atlantic Richfield Company, is the operator of a previously established 185-acre non-standard Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and its State "F" DE Well No. 4 at an unorthodox location 330 feet from the South line and 330 feet from the West line of said Section 19.

(4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

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

(6) That approval of the subject application 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.

(7) That Commission Order No. R-5280 dated September 16, 1976, which approved the aforesaid non-standard proration unit dedicated to the State "F" DE Well No. 3 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and to its State "F" DE Well No. 4, located 330 feet from the South line and 330 feet from the West line of said Section 19.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Commission Order No. R-5280 is hereby superseded.

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

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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

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