

Entered January 25, 1977
JDR

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. 5827
Order No. R-5323-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 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/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 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(4) That the above-described wells at said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.

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

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(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-5323 dated November 30, 1976, which approved the aforesaid non-standard proration unit dedicated to the State 176 Wells Nos. 3 and 6 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate to a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 275 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

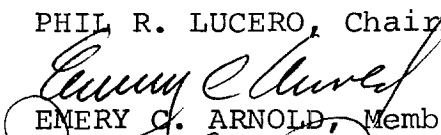
(3) That Commission Order No. R-5323 is hereby superseded.

(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, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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