

Entered June 21, 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. 5955  
Order No. R-5474

APPLICATION OF PENROC OIL  
CORPORATION 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 June 8, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of June, 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, Penroc Oil Corporation, seeks  
approval of an unorthodox gas well location for its Foxie-  
Federal Well No. 2 to be drilled 660 feet from the South line  
and 1980 feet from the East line of Section 18, Township 20  
South, Range 28 East, NMPM, to test the Morrow formation, Eddy  
County, New Mexico.

(3) That the E/2 of said Section 18 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 no offset operator objected to the proposed  
unorthodox location.

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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.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for the Penroc Oil Corporation Foxie-Federal Well No. 2 to be drilled at a point 660 feet from the South line and 1980 feet from the East line of Section 18, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That the E/2 of said Section 18 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

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