Entered August 30, 19>>

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. 6015 Order No. R-5520

APPLICATION OF ATLANTIC RICHFIELD COMPANY 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. cn August 17, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of August , 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, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of Section 32, Township 20 South, Range 27 East, NMPM, to test the Morrow formation, Avalon-Morrow Gas Pool, Eddy County, New Mexico.
- (3) That the S/2 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 gas 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 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.

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IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 1980 feet from the South line and 660 feet from the East line of Section 32, Township 20 South, Range 27 East, NMPM, Avalon-Morrow Gas Pool, Eddy County, New Mexico.
- (2) That the S/2 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, Chaimman

EMERY C. ARNOLD Member

JOE D. RAMEY, Member & Secretary

SEAL