

Entered November 1, 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. 6073
Order No. R-5563

APPLICATION OF CITIES SERVICE
COMPANY FOR TWO UNORTHODOX GAS WELL
LOCATIONS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 26, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 1st day of November, 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, Cities Service Company, seeks approval for two unorthodox gas well locations of its Government AD Well No. 2 located 2310 feet from the North line and 660 feet from the West line, and its Government AE Well No. 1 located 2310 feet from the South line and 1980 feet from the East line, both in Section 27, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico.

(3) That the N/2 and S/2 of said Section 27 are to be dedicated, respectively, to the wells.

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

(5) 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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Case No. 6073

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IT IS THEREFORE ORDERED:

(1) That two unorthodox gas well locations for the Wolfcamp and Pennsylvanian formations are hereby approved for the Cities Service Company Government AD Well No. 2 located 2310 feet from the North line and 660 feet from the West line, and its Government AE Well No. 1 located 2310 feet from the South line and 1980 feet from the East line, both in Section 27, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico.

(2) That the N/2 and S/2 of said Section 27 shall be dedicated, respectively, to the above-described wells.

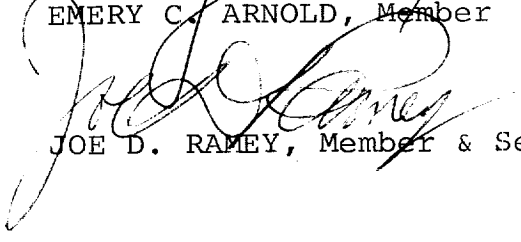
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

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