

Entered May 9, 1978
JGR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6202
Order No. R-5713

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of May, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amoco Production Company, seeks approval of an unorthodox gas well location for its Teledyne Gas Com Well No. 1 to be located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 23 South, Range 29 East, NMPM, to test Wolfcamp or deeper formations, Eddy County, New Mexico.

(3) That the E/2 of said Section 4 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to drill upon and produce the gas underlying the proration unit.

(5) That no offset oil and gas lessee 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:

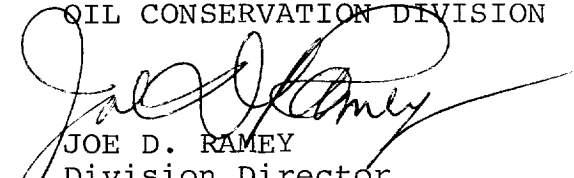
(1) That an unorthodox gas well location for Wolfcamp or deeper formations is hereby approved for the Amoco Production Company Teledyne Gas Com Well No. 1 to be located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That the E/2 of said Section 4 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 Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Division Director

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