Entered September 10, 19>9

### 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. 6602 Order No. R-6092

APPLICATION OF TENNECO OIL COMPANY FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 8, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1979, 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, Tenneco Oil Company, seeks approval of an unorthodox oil well location for its Federal 33 C Well No. 2 to be drilled 1010 feet from the North line and 1710 feet from the West line of Section 33, Township 17 South, Range 29 East, NMPM, to test the Wolfcamp formation, South Empire-Wolfcamp Pool, Eddy County, New Mexico.
- (3) That the E/2 NW/4 of said Section 33 is to be dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the oil 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

-2-Case No. 6602 Order No. R-6092

share of the oil and 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 oil well location is hereby approved for the Tenneco Oil Company Federal 33 C Well No. 2 to be drilled at a point 1010 feet from the North line and 1710 feet from the West line of Section 33, Township 17 South, Range 29 East, NMPM, South Empire-Wolfcamp Pool, Eddy County, New Mexico.
- (2) That the E/2 NW/4 of said Section 33 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 herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY

/Director

S E A L