

Entered March 9, 1983
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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. 7814
Order No. R-7233

APPLICATION OF SOUTHLAND ROYALTY
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 March 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 9th day of March, 1983, 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, Southland Royalty Company, seeks approval to drill its F. M. Robinson "B", Tract 1 Well No. 2 at an unorthodox location 1345 feet from the South line and 2615 feet from the East line of Section 34, Township 17 South, Range 29 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico.
- (3) That the F. M. Robinson "B", Tract 1 Lease is an immediate offset of Southland Royalty Company's Robinson-Jackson Unit Waterflood Project.
- (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.

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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 oil 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.

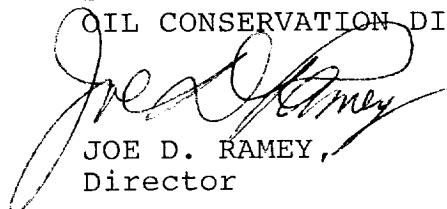
IT IS THEREFORE ORDERED:

(1) That the application of Southland Royalty Company for an unorthodox well location is hereby approved for the F. M. Robinson "B", Tract 1 Well No. 2 to be located at a point 1345 feet from the South line and 2615 feet from the East line of Section 34, Township 17 South, Range 29 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico.

(2) 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,
Director

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