

Entered September 16, 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. 7951
Order No. R-7349

APPLICATION OF MARBOB ENERGY
CORPORATION FOR AN UNORTHODOX
OIL 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 31, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of September, 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, Marbob Energy Corporation, seeks approval of an unorthodox oil well location for its Gillespie State Well No. 5 to be drilled 330 feet from the North line and 1295 feet from the East line of Section 27, Township 17 South, Range 28 East, NMPM, Red Lake Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.
- (3) That the NE/4 NE/4 of said Section 27 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.

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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:

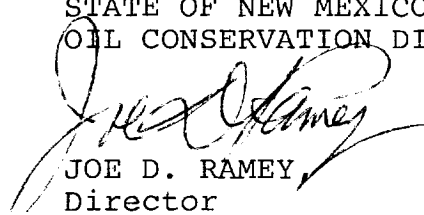
(1) That the application of Marbob Energy Corporation for an unorthodox oil well location is hereby approved for its Gillespie State Well No. 5 to be located at a point 330 feet from the North line and 1295 feet from the East line of Section 27, Township 17 South, Range 28 East, NMPM, Red Lake Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.

(2) That the NE/4 NE/4 of said Section 27 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,
Director

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