

Entered December 16, 1983
JHR

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. 8004
Order No. P-7410

APPLICATION OF ANADARKO PRODUCTION
COMPANY FOR AN UNORTHODOX WELL LOCATION
AND A NON-STANDARD PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 22, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of December, 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, Anadarko Production Company, seeks approval of a 30.99-acre non-standard oil proration unit comprising the NW/4 SW/4 of Section 31, Township 16 South, Range 31 East, NMPM, to be dedicated to a well at an unorthodox location 1370 feet from the South line and 927 feet from the West line of said Section 31, Eddy County, New Mexico.

(3) That the entire non-standard proration unit may reasonably be presumed productive of oil from the Square Lake Grayburg-San Andres Pool and that the entire non-standard oil proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the oil in the Square Lake Grayburg-San Andres Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from

-2-

Case No. 8004
Order No. R-7410

the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

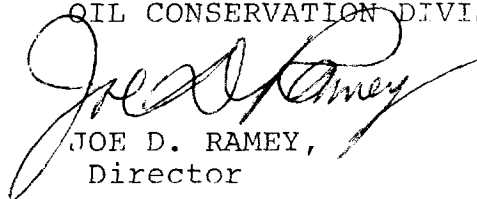
IT IS THEREFORE ORDERED:

(1) That a 30.99-acre non-standard oil proration unit in the Square Lake Grayburg-San Andres Pool comprising the NW/4 SW/4 of Section 31, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to a well at an unorthodox location, also hereby approved, 1370 feet from the South line and 927 feet from the West line of said Section 31.

(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

S E A L