

Entered February 2, 1984
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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. 8025
Order No. R-7434

APPLICATION OF SUPERIOR OIL
COMPANY FOR AN UNORTHODOX WELL
LOCATION, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 18, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 2nd day of February, 1984, 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, Superior Oil Company, seeks approval of an unorthodox oil well location in the Lea-Devonian Pool and an unorthodox gas well location for the Morrow formation for a well to be drilled 660 feet from the North line and 560 feet from the East line of Section 2, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That the NE/4 of said Section 2 is to be dedicated to the well if oil is produced from the Lea-Devonian Pool and the E/2 of said Section 2 will be dedicated to the well if gas is produced from the Morrow formation.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas or oil underlying the appropriate 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 gas or oil in the affected pools 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 Superior Oil Company for an unorthodox oil well location in the Lea-Devonian Pool and an unorthodox gas well location for the Morrow formation, is hereby approved for a well to be drilled 660 feet from the North line and 560 feet from the East line of Section 2, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) That the NE/4 of said Section 2 shall be dedicated to the above-described well if oil is produced in the Lea-Devonian Pool and the E/2 of said Section 2 will be dedicated to the well if gas is produced from the Morrow formation.

(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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