

Entered March 2, 1984  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 8075  
Order No. R-7451

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION  
COMMISSION ON ITS OWN MOTION TO CONSIDER AMENDMENTS TO  
RULE 104 F I.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on February 16, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 2nd day of March, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Oil Conservation Division, hereinafter referred to as the "Division", proposes to amend its general Rule 104 F.I. to clarify the intent of said rule and further expand the conditions under which unorthodox well locations may be approved administratively.

(3) That said rule has historically provided for administrative approval of the unorthodox location of a well upon "the recompletion of a well previously drilled to another horizon".

(4) That the intention of this provision was to provide for such approval when the well had been drilled to another horizon deeper than the recompletion zone.

(5) That the word "another" in said rule should be changed to the word "deeper" as shown on Exhibit "A" attached to this order.

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(6) That this part of said rule was further conditioned that the original (deeper) well had to have been drilled at an orthodox well location.

(7) That the unopposed plugging back of many deeper wells drilled at unorthodox locations, approved for the deeper horizon only, has resulted in numerous unnecessary public hearings.

(8) That said Rule 104 F provides for adequate notice and opportunity to request a hearing to those parties who might be affected by the approval of any unorthodox location thereunder.

(9) That said Rule 104 F.I. should be amended as shown on said Exhibit "A" to provide for the opportunity for the administrative approval of the unorthodox location of a well previously drilled to a deeper horizon when such well was drilled at an orthodox or approved unorthodox location.

IT IS THEREFORE ORDERED:

(1) That Division Rule 104 F.I. is hereby amended to read in its entirety as shown on Exhibit "A" attached to this order.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

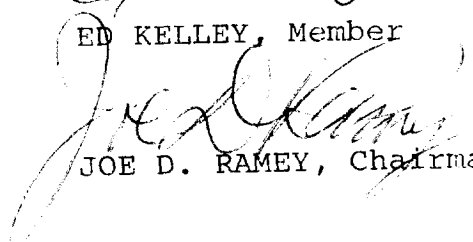
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JIM BACA, Member



ED KELLEY, Member

  
JOE D. RAMEY, Chairman and Secretary

S E A L

RULE 104.

F. UNORTHODOX LOCATIONS

I. The Division Director shall have authority to grant an exception to the well location requirements of Sections B and C above without notice and hearing when the necessity for such unorthodox location is based upon topographical conditions, the recompletion of a well previously drilled to a deeper horizon, provided said well was drilled at an orthodox or approved unorthodox location for such original horizon, or to permit the completion of an efficient production and injection pattern within a secondary recovery or pressure maintenance project, provided that any such unorthodox location within such project is no closer than 330 feet to the outer boundary of the lease, or the unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

EXHIBIT "A"  
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