

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. 8531
Order No. R-7867

APPLICATION OF METEX PIPE & SUPPLY
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 27, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of April, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Metex Pipe & Supply Company, seeks approval of an unorthodox oil well location 2970 feet from the South line and 1270 feet from the West line of Section 4, Township 16 South, Range 31 East, NMPM, North Square Lake Grayburg-San Andres Pool, Eddy County, New Mexico.

(3) Lot 13 (Unit M) of said Section 4 is to be dedicated to the well.

(4) A well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

(5) No offset operator objected to the proposed unorthodox location.

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(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected 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 THAT:

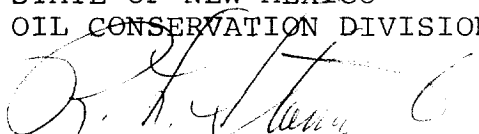
(1) The application of Metex Pipe & Supply Company for an unorthodox oil well location for the North Square Lake Grayburg-San Andres Pool is hereby approved for a well to be located at a point 2970 feet from the South line and 1270 feet from the West line of Section 4, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) Lot 13 (Unit M) of said Section 4 shall be dedicated to the above-described well.

(3) 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


R. L. STAMETS
Director

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