

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. 9128
Order No. R-8448

APPLICATION OF MOBIL PRODUCING
TEXAS AND NEW MEXICO, INC. FOR
AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 6 and May 20, 1987, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 29th day of May, 1987, 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, Mobil Producing Texas and New Mexico, Inc., seeks approval of an unorthodox oil well location for its Amoco State Well No. 2, located 1830 feet from the South line and 510 feet from the West line (Unit L) of Section 6, Township 17 South, Range 36 East, NMPM, Undesignated South Shoe Bar-Devonian Pool, Lea County, New Mexico.

(3) The N/2 SW/4 of said Section 6 is to be dedicated to the well.

(4) Said well is located within one mile of the outer boundary of the South Shoe Bar-Devonian Pool and is therefore subject to the Special Rules and Regulations for said pool as promulgated by Division Order No. R-8279, which require wells to be located within 150 feet of the center of a quarter-quarter section.

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(5) Due to a misinterpretation of said well location requirements by Mobil, the Amoco State Well No. 2 was inadvertently drilled at a point approximately 62 feet southwest of a standard well location in said pool.

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

(7) 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:

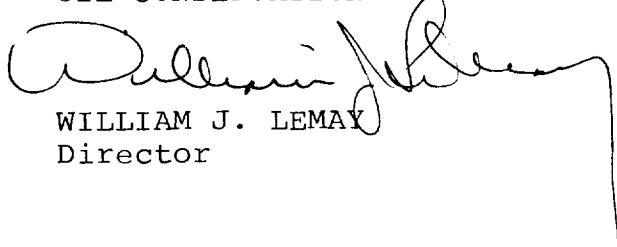
(1) The application of Mobil Producing Texas and New Mexico, Inc. for an unorthodox oil well location for the Devonian formation is hereby approved for its Amoco State Well No. 2 located at a point 1830 feet from the South line and 510 feet from the West line (Unit L) of Section 6, Township 17 South, Range 36 East, NMPM, Undesignated South Shoe Bar-Devonian Pool, Lea County, New Mexico.

(2) The N/2 SW/4 of said Section 6 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



WILLIAM J. LEMAY
Director

S E A L
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