

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 9258  
Order No. R-8558

THE APPLICATION OF BTA OIL  
PRODUCERS FOR AN UNORTHODOX  
GAS 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 November 18, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 3rd day of December, 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, BTA Oil Producers, seeks approval of an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 35, Township 22 South, Range 34 East, NMPM, Undesignated Antelope Ridge-Atoka Gas Pool, Lea County, New Mexico, the N/2 of said Section 35 to be dedicated to the well.

(3) Geologic evidence presented in this case indicates that there are two separate limestone producing intervals within the Atoka formation in this area.

(4) The applicant currently operates the Maddox "B" 8016 JV-P Well No. 1 located at a standard gas well location 1980 feet from the North line and 1980 feet from the West line of said Section 35, which is currently producing from the Morrow formation.

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(5) The applicant testified that logging data from the Maddox "B" 8016 JV-P Well No. 1 indicates that the Atoka formation contains little or no porosity at this well location.

(6) Testimony and geologic evidence presented in this case further indicates that a well drilled at said unorthodox location would better enable the applicant to encounter sufficient porosity and permeability within the Atoka formation necessary to obtain a producing well.

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

(8) Approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Atoka formation, 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:

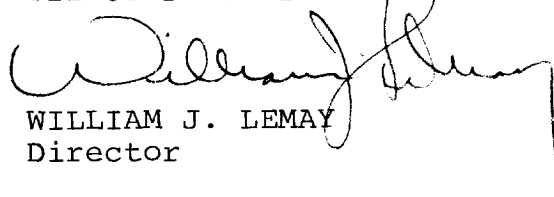
(1) The application of BTA Oil Producers for an unorthodox gas well location for the Atoka formation is hereby approved for a well to be located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 35, Township 22 South, Range 34 East, NMPM, Undesignated Antelope Ridge-Atoka Gas Pool, Lea County, New Mexico.

(2) The N/2 of said Section 35 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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