

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. 9482
Order No. R-8753

APPLICATION OF ROBERT N. ENFIELD
FOR AN UNORTHODOX GAS WELL
LOCATION, CHAVES COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 14, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 23rd day of September, 1988, 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) Division Cases Nos. 9482 and 9481 were consolidated at the time of the hearing for the purpose of testimony.

(3) The applicant, Robert N. Enfield, seeks approval to drill its McCombs Well No. 2 at an unorthodox gas well location 330 feet from the South line and 660 feet from the West line (Unit M) of Section 20, Township 7 South, Range 31 East, NMPM, Undesignated Lone Wolf-Devonian Gas Pool, Chaves County, New Mexico, the SW/4 of said Section 20 to be dedicated to the well.

(4) The proposed well is located within one mile of the outer boundary of the Lone Wolf-Devonian Gas Pool and is therefore subject to the special rules and regulations

-2-

Case No. 9482
Order No. R-8753

for said pool as promulgated by Division Order No. R-8677 which require wells to be located no nearer than 510 feet from the outer boundary of the proration unit or 330 feet to any governmental quarter-quarter section line or subdivision inner boundary, nor nearer than 1320 feet to the nearest well drilling or capable of producing from said pool.

(5) The applicant is the owner and operator of the McCombs Well No. 1 located 1650 feet from the North line and 990 feet from the West line (Unit E) of said Section 29, said well being the discovery well for the Lone Wolf-Devonian Gas Pool.

(6) The applicant presented geologic evidence obtained from the McCombs Well No. 1 which indicates that a well drilled at the proposed location should encounter the Devonian formation at a more structurally advantageous position up-dip from the gas-water contact than a well drilled at a standard location thereon, thereby increasing the likelihood of obtaining commercial production.

(7) The applicant is the owner of all affected offset acreage and presented as evidence waivers of objection to the proposed location from all other offset operators.

(8) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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 applicant, Robert N. Enfield, is hereby authorized to drill its McCombs Well No. 2 at an unorthodox gas well location 330 feet from the South line and 660 feet from the West line (Unit M) of Section 20, Township 7 South, Range 31 East, NMPM, Undesignated Lone Wolf-Devonian Gas Pool, Chaves County, New Mexico.

(2) The SW/4 of said Section 20 shall be dedicated to the above-described well.

-3-

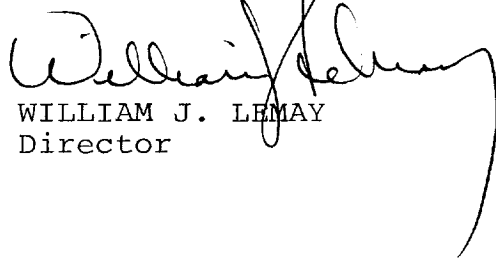
Case No. 9482

Order No. R-8753

(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

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name and title.

WILLIAM J. LEMAY
Director

S E A L

fd/