

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. 10186
ORDER NO. R-9405*

APPLICATION OF AVON ENERGY CORPORATION
FOR AN UNORTHODOX OIL WELL LOCATION AND
SIMULTANEOUS DEDICATION, EDDY COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 19, 1990, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 11th day of January, 1991 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) At the time of the hearing, this case was consolidated with Division Case Nos. 10185 and 10187 for purposes of testimony.

(3) The applicant, Avon Energy Corporation, seeks approval of an unorthodox oil well location for its Friess Well No. 5 to be drilled 1270 feet from the North line and 100 feet from the East line (Unit A) of Section 30, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Atlantic Grayburg-Jackson Friess Fren Waterflood Project, Eddy County, New Mexico.

(4) Said well is to be dedicated to an existing 40-acre standard oil spacing and proration unit comprising the NE/4 NE/4 of said Section 30, which is presently dedicated to the Friess Well No. 2 located at a standard oil well location 660 feet from the North and East lines of said Section 30.

(5) The subject well location is within the Atlantic Grayburg-Jackson Friess Fren Waterflood Project Area but is only within 100 feet from the outer boundary of said Project Area.

(6) Directly offsetting the Atlantic Grayburg-Jackson Friess Fren Waterflood Project Area to the east is the Turner "B" Grayburg-Jackson Waterflood Project Area which is also operated by Avon Energy Corporation, and, according to the testimony presented, both waterflood project areas have common ownership.

(7) The proposed well at an unorthodox oil well location would serve to complete a more efficient injection/production pattern between the two Grayburg-Jackson Waterflood Projects.

(8) No interested party appeared and/or objected to the proposed unorthodox location.

(9) 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, is in the best interest of conservation and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Avon Energy Company, is hereby authorized to drill its Friess Well No. 5 at an unorthodox oil well location 1270 feet from the North line and 100 feet from the East line (Unit A) of Section 30, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Atlantic Grayburg-Jackson Friess Fren Waterflood Project, Eddy County, New Mexico.

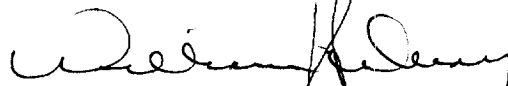
(2) The existing 40-acre standard oil spacing and proration unit comprising the NE/4 NE/4 of said Section 30 shall be dedicated to the above-described well and to its Friess Well No. 2 located at a standard oil well location 660 feet from the North and East lines of said Section 30.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 10186
Order No. R-9405
Page No. 3

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', written over a horizontal line.

WILLIAM J. LEMAY
Director

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