Entered account 22, 1757 a.L.P.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1764 Order No. R-1496

APPLICATION OF STANDARD OIL COMPANY OF TEXAS FOR AN UN-ORTHODOX GAS WELL LOCATION FOR A WELL IN THE ATOKA-PENNSYLVANIAN GAS POOL, EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>19th</u> day of October, 1959, the Commission, a quorum being present, having considered the application the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

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

(2) That the applicant is the owner and operator of the NE/4, the W/2 SE/4, and the SE/4 SE/4 of Section 14, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That the applicant is negotiating the communitization of the above-described acreage and the remaining acreage in the E/2 of said Section 14, to form a standard 320-acre Atoka-Pennsylvanian gas proration unit, comprising the entire E/2 of said Section 14.

(4) That upon completion of the communitization agreement, the applicant proposes to drill an Atoka-Pennsylvanian gas well at an unorthodox location 1850 feet from the South line and 1650 feet from the East line of said Section 14. -2-Case No. 1764 Order No. R-1496

(5) That the approval of the proposed unorthodox gas well location, effective upon completion of the communitization agreement, will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Standard Oil Company of Texas, be and the same is hereby granted an exception to the well location requirements of Order No. R-1417, and is authorized to complete the J. H. Everest Unit 2 Well No. 1 at an unorthodox location 1850 feet from the South line and 1650 feet from the East line of Section 14, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, That the subject well shall serve as the unit well for a 320-acre standard Atoka-Pennsylvanian gas proration unit, consisting of the E/2 of said Section 14.

<u>PROVIDED FURTHER</u>, That the authorization herein provided shall become effective upon the successful communitization of the acreage within the E/2 of said Section 14.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 6 JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

Latte PORTER, Jr., Member & Secretary

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