Entered July 19, 1972

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. 4746 Order No. R-2914-A

APPLICATION OF MOBIL OIL CORPORATION FOR AN UNORTHODOX WELL LOCATION AND AMENDMENT OF ORDER NO. R-2914, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 28, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>19th</u> day of July, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Mobil Oil Corporation, is the operator of the E-K Queen Unit Waterflood Project in its E-K Queen Unit Area, E-K Queen Pool, Lea County, New Mexico, approved by Commission Order No. R-2914.

(3) That the applicant seeks authority to drill a producing oil well in said waterflood project area at an unorthodox location 1450 feet from the North line and 70 feet from the West line of Section 19, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

(4) That the proposed unorthodox location is necessary to complete an efficient oil producing pattern.

(5) That the applicant further seeks the amendment of said Order No. R-2914 to provide for the establishment of an administrative procedure whereby the Secretary-Director of the Commission may authorize expansion of said E-K Queen Unit Waterflood Project to include additional lands and injection wells and producing wells at orthodox and unorthodox locations as may be necessary to complete an efficient injection and producing pattern without the necessity of showing well response. -2-CASE NO. 4746 Order No. R-2914-A

(6) That approval of the aforesaid amendment will afford the applicant the opportunity to produce its just and equitable share of the oil and gas in the E-K Queen Pool, and will otherwise prevent waste and protect correlative rights, provided said producing wells and injection wells are drilled no closer than 330 feet to the outer boundary of said E-K Queen Waterflood Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

(7) That the E-K Queen Unit Waterflood Project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided, however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Mobil Oil Corporation, is hereby authorized to drill a producing oil well in the E-K Queen Unit Waterflood Project in its E-K Queen Unit Area, E-K Queen Pool, at an unorthodox location 1450 feet from the North line and 70 feet from the West line of Section 19, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) That Order (2) of Order No. R-2914 is hereby amended to read in its entirety as follows:

"(2) That the E-K Queen Unit Waterflood Project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the E-K Queen Unit Waterflood Project to include such additional lands and injection wells and producing wells at orthodox and unorthodox locations as may be necessary to complete an efficient injection and producing pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said E-K Queen Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided further, that a copy of the application has been sent to all offset operators, if any there be, and no such operator has objected within 15 days. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection."

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 2000-11 , cry BRUCE KING, Chairman V me Ľ M ALEX J. ARMIJO, Member (ta iter c A. L. PORTER, Jr., Member & Secretary

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