

*Entered July 11, 1966  
C.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. 3420  
Order No. R-3087

APPLICATION OF STANDARD OIL COMPANY  
OF TEXAS FOR AN UNORTHODOX GAS WELL  
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 29, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of July, 1966, 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, Standard Oil Company of Texas, seeks an exception to the Special Rules and Regulations for the Atoka-Pennsylvanian Gas Pool to drill a gas well at an unorthodox location 1650 feet from the North line and 990 feet from the East line of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That the Special Rules and Regulations governing the Atoka-Pennsylvanian Gas Pool provide that each well completed or recompleted in said pool shall be located in the northwest quarter or the southeast quarter of the section and shall be located no nearer than 330 feet to any governmental quarter-quarter section line.

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(4) That the evidence establishes that the productivity of a well at a standard location in the NW/4 of said Section 15 is doubtful.

(5) That the evidence establishes that 252 acres of a standard 320-acre proration unit dedicated to a well at an unorthodox location in the NE/4 of said Section 15 can reasonably be presumed to be productive of gas from said pool.

(6) That a standard 320-acre gas proration unit for said pool, comprising the N/2 of said Section 15, should be dedicated to said well.

(7) That an acreage factor for proration purposes of 252/320 or 0.79 should be assigned to said well.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Atoka-Pennsylvanian Gas 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Standard Oil Company of Texas, is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Atoka-Pennsylvanian Gas Pool and is hereby authorized to drill a gas well at an unorthodox location 1650 feet from the North line and 990 feet from the East line of Section 15, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(2) That a standard 320-acre gas proration unit for said pool, comprising the N/2 of said Section 15, shall be dedicated to said well.

(3) That an acreage factor for proration purposes of 252/320 or 0.79 shall be assigned to said well.

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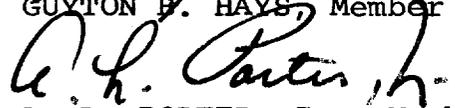
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
GUYTON B. HAYS, Member

  
A. L. PORTER, Jr., Member & Secretary

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