

Entered June 5, 1968
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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. 3775
Order No. R-3427

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 5th day of June, 1968, 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, Cities Service Oil Company, is the
owner and operator of the State "AE" Well No. 2, located 1650 feet
from the South line and 990 feet from the West line of Section 36,
Township 16 South, Range 36 East, NMPM, Lovington-Abo Pool, Lea
County, New Mexico.

(3) That said well has been abandoned due to collapsed
casing.

(4) That the applicant seeks authority to drill, as a
replacement for the aforesaid well, its State "AE" Well No. 2-Y
at an unorthodox location 1420 feet from the South line and
990 feet from the West line of said Section 36.

(5) That the applicant proposes to bottom said replacement
well in the Abo formation at a point no closer than 1420 feet to
the South line nor farther than 990 feet from the West line of
said Section 36.

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(6) That a well drilled at the proposed location rather than at a standard location should be better able to withstand the pressure on its casing from a San Andres waterflood injection well located northwest of the proposed location in the center of the 40-acre tract.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Lovington-Abo 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, Cities Service Oil Company, is hereby authorized to drill its State "AE" Well No. 2-Y at an unorthodox location in the Lovington-Abo Pool 1420 feet from the South line and 990 feet from the West line of Section 36, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico;

PROVIDED HOWEVER, that said well shall be bottomed no closer than 1420 feet to the South line nor farther than 990 feet from the West line of said Section 36;

PROVIDED FURTHER, that a continuous multi-shot directional survey shall be made of the entire well bore with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report to the Oil Conservation Commission, Box 2088, Santa Fe, New Mexico; that the operator shall notify the Commission's Hobbs District Office of the date and time said survey is to commence.

(2) That Form C-105 shall be filed in accordance with Commission Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.

(3) 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

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

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