Entered December 18, 1978 app.

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. 4474 Order No. R-4082

APPLICATION OF AMINI OIL CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on December 16, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>18th</u> day of December, 1970, 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, Amini Oil Corporation, seeks authority to drill a well at an unorthodox oil well location 2120 feet from the North line and 520 feet from the West line of Section 12, Township 17 South, Range 34 East, NMPM, North Vacuum-Abo Pool, Lea County, New Mexico, with the S/2 NW/4 of said Section 12 to be dedicated to the well.

(3) That the Special Rules and Regulations governing the North Vacuum-Abo Pool provide that the first well drilled on every standard or non-standard unit in said pool shall be located within 200 feet of the center of either the NW/4 or the SE/4 of a governmental guarter section.

(4) That the proposed location, in the SW/4 NW/4 of said Section 12, is an off-pattern quarter-quarter section location for the first well on the proposed proration unit.

-2-CASE No. 4474 Order No. R-4082

(5) That the subject well would be the first well to be drilled on the proposed proration unit.

(6) That the evidence indicates that the entire NW/4 of said Section 12 would be productive of oil in paying quantities from the North Vacuum-Abo Pool.

(7) That the evidence indicates that a well drilled at any standard location in the NW/4 of said Section 12 would encounter sufficient net pay to enable said well to be completed as a well capable of producing oil in paying quantities.

(8) That the applicant has failed to establish the necessity to drill the subject well at an unorthodox location.

(9) That the drilling of the subject well as proposed by the applicant is not necessary to prevent waste and may impair the correlative rights of offset operators.

(10) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(2) 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 . 4 - 2. 1.11 ALEX J. ARMIJO, Member A. L. PORTER, Jr., Member & Secretary

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