

*Entered February 28, 1972
A.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. 4663
Order No. R-4264

APPLICATION OF AMOCO PRODUCTION
COMPANY 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 February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of February, 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, Amoco Production Company, seeks an exception to Rule 104 of the Commission Rules and Regulations for approval of an unorthodox gas well location for its Malco "S" Federal Well No. 1, located 1650 feet from the North line and 1653 feet from the West line of Section 11, Township 18 South, Range 27 East, NMPM, undesignated Morrow-Pennsylvanian Pool, Eddy County, New Mexico.

(3) That the subject well was projected as a wildcat oil well at a standard location to test the Mississippian formation but was productive of gas from the Morrow formation.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject undesignated Morrow-Pennsylvanian

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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 will otherwise prevent waste and protect correlative rights.

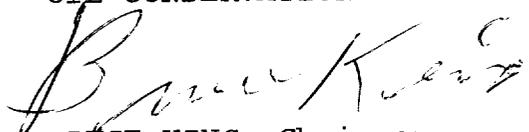
IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for the Amoco Production Company's Malco "S" Federal Well No. 1 in an undesignated Morrow-Pennsylvanian pool at a point 1650 feet from the North line and 1653 feet from the West line of Section 11, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, as an exception to Rule 104 of the Commission Rules and Regulations.

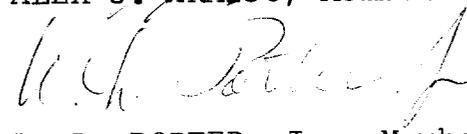
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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