

Enclosed April 17, 1973
A.P.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. 4922
Order No. R-4505

APPLICATION OF PENNZOIL 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 9 a.m. on March 28, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of April, 1973, 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, Pennzoil Company, seeks authority to drill a producing oil well in its Western State Waterflood Project at an unorthodox location 1330 feet from the North line and 1330 feet from the West line of Section 20, Township 17 South, Range 33 East, NMPM, Maljamar Pool, Lea County, New Mexico.
- (3) That the proposed unorthodox location is necessary to complete an efficient oil producing pattern.
- (4) That approval of the aforesaid unorthodox location will afford the applicant the opportunity to produce its just and equitable share of the oil in the Maljamar Pool, and will otherwise prevent waste and protect correlative rights.
- (5) That the applicant further seeks the establishment of an administrative procedure whereby additional producing and injection wells could be drilled at unorthodox locations within the boundaries of the Western State Waterflood Project in Sections 17 and 20, Township 17 South, Range 33 East, NMPM, without notice and hearing.

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(6) That approval of such an administrative procedure will not cause waste nor impair correlative rights provided no unorthodox location nearer than 330 feet to the outer boundary of the unit area is approved without notice and hearing.

IT IS THEREFORE ORDERED:

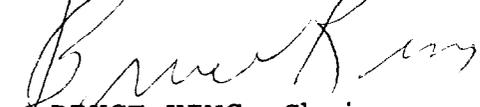
(1) That the applicant, Pennzoil Company, is hereby authorized to drill a producing oil well at an unorthodox location in its Western State Waterflood Project 1330 feet from the North line and 1330 feet from the West line of Section 20, Township 17 South, Range 33 East, NMPM, Maljamar Pool, Lea County, New Mexico.

(2) That the Secretary-Director of the Commission may approve such additional producing and injection wells at orthodox and unorthodox locations within the Western State Waterflood Project in Sections 17 and 20, Township 17 South, Range 33 East, NMPM, as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said unit area nor closer than ten feet to any quarter-quarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with the provisions of Rule 701-B of the Commission Rules and Regulations.

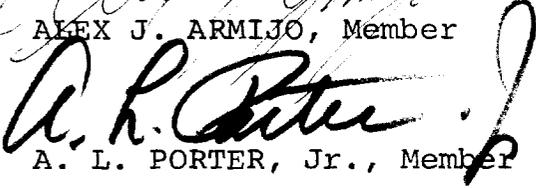
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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