Entered May 17, 1973 ale

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. 4942 Order No. R-4534

APPLICATION OF TEXAS WEST OIL & GAS CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 11, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>17th</u> day of May, 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, Texas West Oil & Gas Corporation, seeks approval of its State "2" Com Well No. 1 at a point 2310 feet from the North line and 660 feet from the West line of Section 2, Township 24 South, Range 34 East, NMPM, as an apparent extension to the Antelope Ridge-Atoka Gas Pool, Lea County, New Mexico.

(3) That said well was originally planned to penetrate the Devonian and Morrow formations as a dual completion, and the W/2 of said Section 2 was to be dedicated to the well.

(4) That unusually high pressure was encountered in the Atoka formation at a depth of 12,300 feet and the well was completed in that zone.

(5) That the N/2 of said Section 2 is proposed to be dedicated to the well, thereby rendering the well location unorthodox.

(6) That no objection to this unorthodox location was raised by offset operators.

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(7) 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 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 for the Atoka formation is hereby approved for the State "2" Com Well No. 1, to be located at a point 2310 feet from the North line and 660 feet from the West line of Section 2, Township 24 South, Range 34 East, NMPM, Antelope Ridge-Atoka Gas Pool extension, Lea County, New Mexico.

(2) That the N/2 of said Section 2 shall be dedicated to the above-described well.

(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

ッベ I. R. TRUJILLO, Chairman

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