

Entered August 22, 1973
A.P.R.

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. 5045
Order No. R-4618

APPLICATION OF SOUTHERN UNION
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 August 9, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of August, 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, Southern Union Production Company, seeks approval to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, and to deepen said well from 8020 feet to 11,060 feet into the Morrow formation.
- (3) That currently there is no production from the Morrow formation within three miles of the proposed non-standard location and drilling a new well at a standard location would therefore involve a high degree of risk.
- (4) That the most feasible way to determine if the Morrow formation is productive in this area is to deepen the Wilson Federal Well No. 1 but in so doing the aforementioned non-standard location will result.
- (5) That the N/2 of said Section 13 is to be dedicated to the well.

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(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas from the Morrow formation, 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:

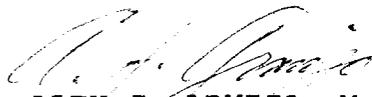
(1) That the applicant, Southern Union Production Company, is hereby given approval to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, and to deepen said well to the Morrow formation.

(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


I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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