

Entered February 13, 1974
A.S.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. 5163
Order No. R-4726

APPLICATION OF WESTERN OIL PRODUCERS,
INC. 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 January 30, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of February, 1974, 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.

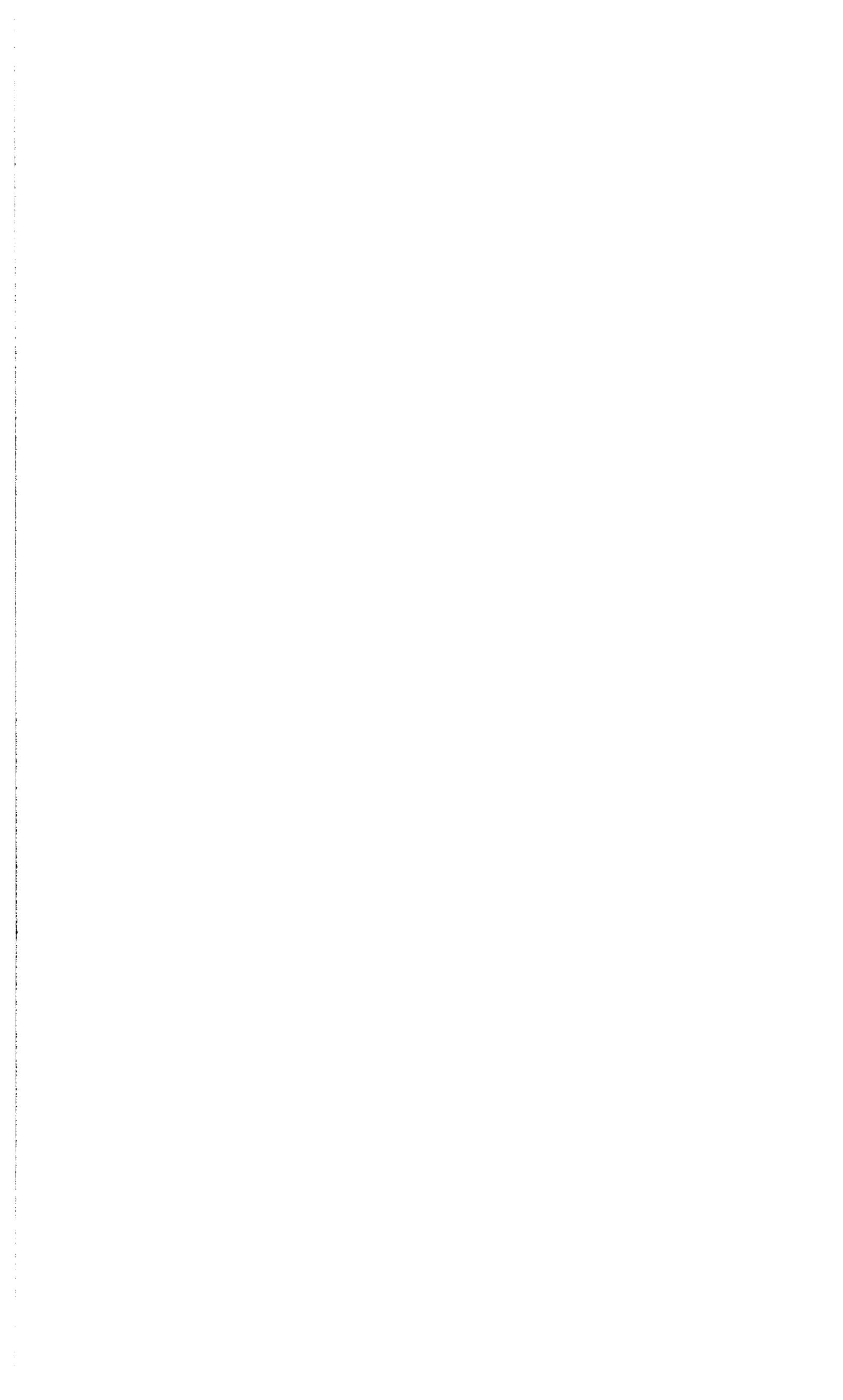
(2) That the applicant, Western Oil Producers, Inc., seeks approval of an unorthodox gas well location 660 feet from the South line and 660 feet from the East line of Section 27, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to test the Morrow formation, or, in the alternative, applicant seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of said Section 27.

(3) That the S/2 of said Section 27 is to be dedicated to the well.

(4) That a well at said unorthodox location 660 feet from the South line and 660 feet from the East line of said Section 27 should encounter an additional pay zone which would not be encountered in a well drilled at an orthodox location and will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable



-2-

CASE NO. 5163
Order No. R-4726

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 Morrow formation is hereby approved for a well to be located at a point 660 feet from the South line and 660 feet from the East line of Section 27, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico.

(2) That the S/2 of said Section 27 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

I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

jr/