

*Continued from 20, 1974*  
*R.H.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. 5221  
Order No. R-4776

APPLICATION OF BLACK RIVER  
CORPORATION FOR AN UNORTHODOX  
GAS WELL LOCATION AND NON-  
STANDARD PRORATION UNIT,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 25, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of April, 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, Black River Corporation, seeks approval of an unorthodox gas well location for its BR 4 Federal Well No. 3 located 1986 feet from the North line and 330 feet from the East line of Section 4, Township 26 South, Range 24 East, NMPM, in an undesignated Delaware gas pool, Eddy County, New Mexico.
- (3) That the applicant further seeks to dedicate the above-described well to a 201.34-acre non-standard gas proration unit comprising the NE/4 of said Section 4.
- (4) That the entire NE/4 of said Section 4 may reasonably be presumed productive of gas from the Delaware formation.
- (5) That said well was projected and originally completed as a Delaware oil well at an orthodox location for such a well.
- (6) That no offset operator objected to the proposed unorthodox location.
- (7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable

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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:

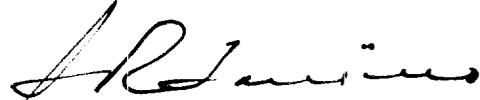
(1) That an unorthodox gas well location for the Delaware formation is hereby approved for applicant's BR 4 Federal Well No. 3 located 1986 feet from the North line and 330 feet from the East line of Section 4, Township 26 South, Range 24 East, NMPM, undesignated Delaware gas pool, Eddy County, New Mexico.

(2) That the above-described well shall be dedicated to a 201.34-acre non-standard gas proration unit comprising the NE/4 of said Section 4.

(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/