

Entered May 28, 1974
A. 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. 5220
Order No. R-4792

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION AND NON-STANDARD GAS PRORATION
UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 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, Atlantic Richfield Company, seeks approval of a non-standard gas proration unit comprising the N/2 of Section 25, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its McDonald State WN Well No. 24, drilled in an unorthodox location 1780 feet from the North line and 660 feet from the West line of said Section 25.
- (3) That a well drilled in the proposed unorthodox location will probably encounter a pay zone of more favorable porosity and permeability than would a well drilled at an orthodox location.
- (4) That the entire N/2 of said Section 25 may reasonably be presumed productive of gas from the Jalmat Gas Pool.
- (5) That no offset operator has objected to the proposed unorthodox location.

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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 in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will 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, Atlantic Richfield Company, is hereby authorized to drill its McDonald WN State Well No. 24 at an unorthodox location for the Jalmat Gas Pool 1780 feet from the North line and 660 feet from the West line of Section 25, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That a 320-acre non-standard gas proration unit for said pool consisting of the N/2 of said Section 25 shall be dedicated to said well.

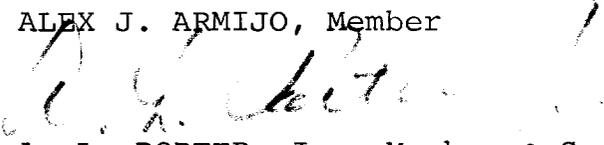
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

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