Entered Vigrame '1' 14 Q.J.J.

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. 5363 Order No. R-4922

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR A NON-STANDARD OIL PRORATION UNIT AND UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 19th day of November, 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, Union Oil Company of California, seeks, as an exception to the Lovington-Devonian Pool Rules, the formation of a non-standard proration unit comprising the NE/4 SW/4 and NW/4 SE/4 of Section 12, Township 17 South, Range 36 East, to be dedicated to applicant's Midway State Unit Well No. 5, to be drilled at an unorthodox location 2310 feet from the South line and 2310 feet from the West line of said Section 12, Lea County, New Mexico.

(3) That a well drilled at the proposed unorthodox location should encounter the pay zone higher on the structure and should recover more oil than would a well drilled at a standard location.

(4) That approval of the subject application will prevent the drilling of unnecessary wells, will afford the applicant the opportunity to produce his just and equitable share of the oil in the Lovington-Devonian formation, and will otherwise prevent waste and protect correlative rights. -2-Case No. 5363 Order No. R-4922

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby granted approval of an 80-acre non-standard oil proration unit comprising the NE/4 SW/4 and NW/4 SE/4 of Section 12, Township 17 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) Applicant is further authorized to drill thereon its Midway State Unit Well No. 5 at an unorthodox location 2310 feet from the South line and 2310 feet from the West line of said Section 12.

(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

10 I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member Torter, A. L. PORTER, Jr., Member & Secretary

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