

Entered September 16, 1976



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. 5750
Order No. R-5283

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR AN 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 September 1, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of September, 1976, 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, Cities Service Oil Company, seeks approval of an unorthodox oil well location 1355 feet from the South line and 1135 feet from the East line of Section 30, Township 17 South, Range 33 East, NMPM, for its Southeast Maljamar Grayburg-San Andres Unit Tract 1 Well No. 4, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

(3) That the NE/4 SE/4 of said Section 30 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

(5) That the offset operator waived objection to the proposed unorthodox location, provided applicant maintains water injection into its Southeast Maljamar Grayburg-San Andres Unit Tract 1 Wells Nos. 1, 2, and 3 located in Units J, I, and P, respectively, of Section 30, Township 17 South, Range 33 East, NMPM, at a sufficient rate that the total combined monthly water injected into said wells is equal to or greater than the total monthly liquid volume withdrawal (oil and water) from the subject well No. 4.

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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 oil 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 oil well location is hereby approved for the Cities Service Oil Company Southeast Maljamar Unit Tract 1 Well No. 4 to be located at a point 1355 feet from the South line and 1135 feet from the East line of Section 30, Township 17 South, Range 33 East, NMPM, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

(2) That the NE/4 SE/4 of said Section 30 shall be dedicated to the above-described well.

(3) That subject to further order of the Commission, Cities Service Oil Company, shall maintain water injection into its Southeast Maljamar Unit Tract 1 Wells Nos. 1, 2, and 3 at a sufficient rate that the total combined monthly water injected into said wells is equal to or greater than the total monthly liquid volume withdrawal (oil and water) from the aforesaid Southeast Maljamar Unit Tract 1 Well No. 4.

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

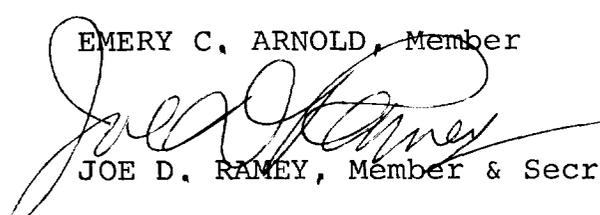
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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