

Entered June 8, 1977
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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. 5918
Order No. R-5454

APPLICATION OF MARBOB ENERGY CORPORATION
FOR AN UNORTHODOX OIL WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 11, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of June, 1977, 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, Marbob Energy Corporation, seeks
approval of an unorthodox oil well location for its NG Phillips
State Well No. 10 2645 feet from the South line and 1325 feet
from the East line of Section 27, Township 17 South, Range 28
East, NMPM, Artesia Queen-Grayburg-San Andres Pool, Eddy County,
New Mexico.

(3) That the SW/4 NE/4 of said Section 27 is to be
dedicated to the well.

(4) That a well at said unorthodox location will better
enable applicant to complete an efficient secondary recovery
production pattern.

(5) That no offset operator 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 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 for the Queen-Grayburg-San Andres formation is hereby approved for the Marbob Energy Corporation NG Phillips State Well No. 10, located at a point 2645 feet from the South line and 1325 feet from the East line of Section 27, Township 17 South, Range 28 East, NMPM, Artesia Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.

(2) That the SW/4 NE/4 of said Section 27 shall be dedicated to the above-described well.

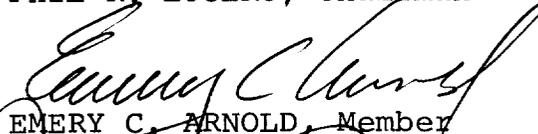
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above 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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