

Entered November 1, 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. 6057
Order No. R-5568

APPLICATION OF AMINOIL USA INC.,
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 12, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of November, 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, Aminoil USA Inc., seeks approval of an unorthodox gas well location for its Willow Lake Well No. 3 to be located 1940 feet from the South line and 1940 feet from the West line of Section 15, Township 24 South, Range 28 East, NMPM, to test Wolfcamp and Pennsylvanian formations, Willow Lake Field, Eddy County, New Mexico.

(3) That the S/2 of said Section 15 is to be dedicated to the well.

(4) That the legal notice for this case described the proposed unorthodox location for the subject well as being 1980 feet from the South line and 1940 feet from the West line of said Section 15.

(5) That the discovery of a lease road at said location makes it advisable to move the proposed well site to the point described in Finding No. (2) above.

(6) That inasmuch as the amended location is no more unorthodox than the advertised location, the applicant should be permitted to amend the location without further notice and hearing.

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

(8) That no offset operator objected to the proposed unorthodox location.

(9) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable 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 Wolfcamp and Pennsylvanian formations is hereby approved for the Aminoil USA, Inc., Willow Lake Well No. 3 to be located at a point 1940 feet from the South line and 1940 feet from the West line of Section 15, Township 24 South, Range 28 East, NMPM, Willow Lake Field, Eddy County, New Mexico.

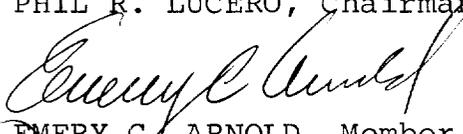
(2) That the S/2 of said Section 15 shall be dedicated to the above-described well.

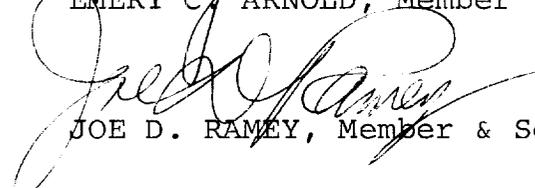
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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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