

Entered March 8, 1978
JAR

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. 6162
Order No. R-5658

APPLICATION OF CONTINENTAL OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION AND
SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 22, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of March, 1978, 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, Continental Oil Company, seeks approval of an unorthodox gas well location for its Jack B-30 Well No. 2 to be located 330 feet from the North line and 1725 feet from the East line of Section 30, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the NE/4 of said Section 30 is to be simultaneously dedicated to said well and to applicant's Jack B-30 Well No. 5 in Unit H of said Section 30.

(4) That a well at said unorthodox location will better enable applicant to protect its correlative rights under said proration unit.

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

(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 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.

-2-

Case No. 6162
Order No. R-5658

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for the Continental Oil Company Jack B-30 Well No. 2 to be located at a point 330 feet from the North line and 1725 feet from the East line of Section 30, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the NE/4 of said Section 30 shall be simultaneously dedicated to the above-described well and to applicant's Jack B-30 Well No. 5 located in Unit H of said Section.

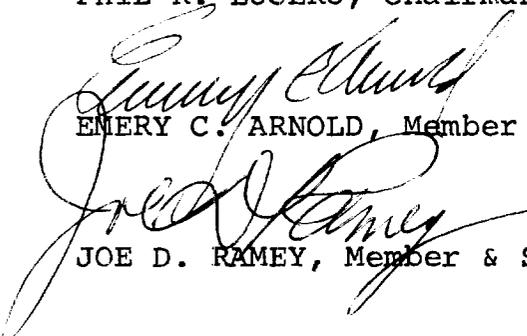
(3) That the allowable assigned to said proration unit may be produced by either of said wells in any proportion.

(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

S E A L

jr/