Entered april 28, 19>8

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6205 Order No. R-5715

APPLICATION OF GIFFORD, MITCHELL & WISENBAKER FOR AN UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>28th</u> day of April, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gifford, Mitchell & Wisenbaker, originally requested approval of an unorthodox oil well location for its Quanah Parker Well No. 2-Y at a point 2770 feet from the South line and 2310 feet from the East line of Section 28, Township 26 South, Range 36 East, NMPM, West Scarborough-Yates Pool, Lea County, New Mexico.

(3) That at the hearing of this case, the applicant requested that the proposed location of the well be amended to a point 2771 feet from the South line and 2285 feet from the East line of said Section 28.

(4) That the proposed amended non-standard location is not significantly different from the advertised location and is indeed less unorthodox.

(5) That the application should be amended to provide for a well location as set out in Finding No. (3) above.

(6) That the SW/4 NE/4 of said Section 28 is to be dedicated to the well.

-2-Case No. 6205 Order No. R-5715

(7) That the proposed non-standard location is necessary due to unstable geologic conditions found at a shallow depth at a standard location in the SW/4 NE/4 of said Section 28.

(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 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 Gifford, Mitchell, & Wisenbaker Quanah Parker Well No. 2-Y to be located at a point 2771 feet from the South line and 2285 feet from the East line of Section 28, Township 26 South, Range 36 East, NMPM, West Scarborough-Yates Pool, Lea County, New Mexico.

(2) That the SW/4 NE/4 of said Section 28 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 Division may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION Eme KAMEY JOE D. Director

SEAL

jr/