

Entered April 28, 1978

JAR

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. 6207
Order No. R-5717

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR AN UNORTHODOX
LOCATION, EDDY 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 28th 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, Belco Petroleum Corporation, seeks approval of an unorthodox location for its Little et al Well No. 1 to be drilled 1290 feet from the South line and 1720 feet from the West line of Section 20, Township 22 South, Range 27 East, NMPM, South Carlsbad-Cherry Canyon Pool, Eddy County, New Mexico.

(3) That the SE/4 SW/4 of said Section 20 is to be dedicated to the well.

(4) That the unorthodox location is necessitated due to City of Carlsbad Ordinance No. 748 requiring that no well be drilled nearer than 500 feet to any residence, hospital, school, or commercial building located within the City.

(5) That a well at said unorthodox location will enable applicant to drill upon and to produce the oil underlying the proration unit.

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

-2-

Case No. 6207
Order No. R-5717

(7) 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:

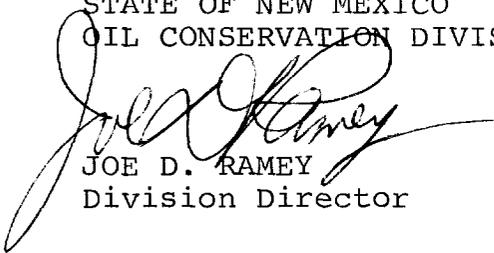
(1) That an unorthodox well location is hereby approved for Belco Petroleum Company's Little et al Well No. 1 to be located at a point 1290 feet from the South line and 1720 feet from the West line of Section 20, Township 22 South, Range 27 East, NMPM, South Carlsbad-Cherry Canyon Pool, Eddy County, New Mexico.

(2) That the SE/4 SW/4 of said Section 20 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Division Director

S E A L

jr/