

Entered June 27, 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. 6257  
Order No. R-5758

APPLICATION OF BENCHMARK OIL COMPANY,  
LTD. FOR AN UNORTHODOX OIL WELL  
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 21, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of June, 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, Benchmark Oil Company, Ltd., seeks approval of an unorthodox oil well location for its Wright Well No. 1 to be drilled at a point 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, NMPM, to test the San Andres formation, Flying M-San Andres Pool, Lea County, New Mexico.

(3) That the E/2 SE/4 of said Section 30 is to be dedicated to the well.

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

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

-2-

Case No. 6257  
Order No. R-5758

(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:

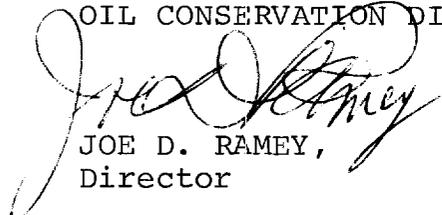
(1) That an unorthodox oil well location is hereby approved for the Benchmark Oil Company, Ltd. Wright Well No. 1 to be drilled at a point 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, NMPM, Flying M-San Andres Pool, Lea County, New Mexico.

(2) That the E/2 SE/4 of said Section 30 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

  
JOE D. RAMEY,  
Director

S E A L

dr/