

Entered November 14, 1978

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. 6355
Order No. R-5847

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR TWO UNORTHODOX WELL
LOCATIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 25, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of November, 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, Amoco Production Company, seeks approval of two unorthodox locations, one for its South Mattix Unit Well No. 32 located 1535 feet from the North line and 330 feet from the East line, and the other for its South Mattix Unit Well No. 34 located 1650 feet from the North line and 2310 feet from the West line, both in Section 22, Township 24 South, Range 37 East, Fowler-Upper Yeso Pool, Lea County, New Mexico.

(3) That the S/2 NE/4 and the E/2 NW/4, respectively, of said Section 22 are to be dedicated to the wells.

(4) That wells at said unorthodox locations will better enable applicant to produce the oil and gas underlying the aforesaid proration units.

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(5) That no offset operator objected to either of the proposed unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil and 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:

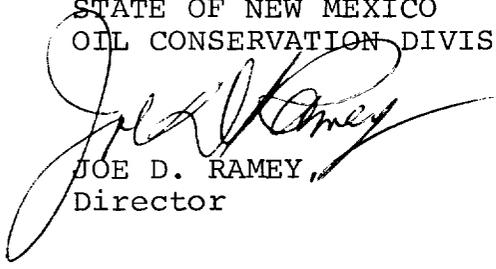
(1) That two unorthodox oil well locations for the Yeso formation are hereby approved, one for the Amoco Production Company South Mattix Unit Well No. 32 located 1535 feet from the North line and 330 feet from the East line, and the other for the Amoco Production Company South Mattix Unit Well No. 34 located 1650 feet from the North line and 2310 feet from the West line, both in Section 22, Township 24 South, Range 37 East, Fowler-Upper Yeso Pool, Lea County, New Mexico.

(2) That the S/2 NE/4 and the E/2 NW/4, respectively, of said Section 22 shall be dedicated to the above-described wells.

(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

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