

Entered July 10, 1979
C.R.

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. 6581
Order No. R-6048

APPLICATION OF BELCO PETROLEUM
CORPORATION 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 27, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 10th day of July, 1979, 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 oil well location for its Warren-American State Well No. 2 to be drilled at a point 660 feet from the South line and 660 feet from the West line of Section 32, 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 W/2 SW/4 of said Section 32 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.

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(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:

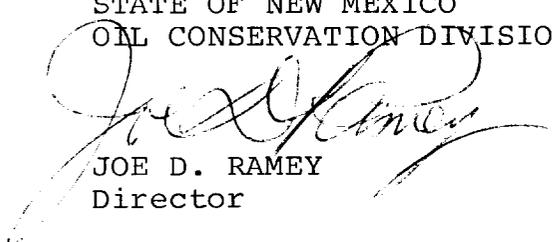
(1) That an unorthodox oil well location for the San Andres formation is hereby approved for the Belco Petroleum Corporation Warren-American State Well No. 2 to be drilled at a point 660 feet from the South line and 660 feet from the West line of Section 32, Township 9 South, Range 33 East, NMPM, Flying "M"-San Andres Pool, Lea County, New Mexico.

(2) That the W/2 SW/4 of said Section 32 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

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