

Entered June 18, 1980
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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. 6913
Order No. R-6379

APPLICATION OF KERR-McGEE
CORPORATION FOR AN UNORTHODOX
WELL LOCATION, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 4, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1980, 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, Kerr-McGee Corporation, seeks approval of an unorthodox well location for its State F Well No. 14 to be drilled 1310 feet from the North line and 1330 feet from the West line of Section 2, Township 8 South, Range 33 East, NMPM, to test the San Andres formation, Chaveroo-San Andres Pool, Chaves County, New Mexico.

(3) That the NE/4 NW/4 of said Section 2 is to be dedicated to the well.

(4) That the operator desires to drill a well at the proposed location to evaluate the efficiency of the 40-acre pattern under which the subject pool was developed.

(5) That a well at said unorthodox location may better enable applicant to produce the gas underlying the proration unit.

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

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the 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 an unorthodox well location for the San Andres formation is hereby approved for the Kerr-McGee Corporation State F Well No. 14 to be located at a point 1310 feet from the North line and 1330 feet from the West line of Section 2, Township 8 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Chaves County, New Mexico.

(2) That the NE/4 NW/4 of said Section 2 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

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