

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. 8801
Order No. R-8126

APPLICATION OF NEARBURG PRODUCING
COMPANY FOR AN UNORTHODOX WELL
LOCATION, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 9, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 16th day of January, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Nearburg Producing Company, seeks approval of an unorthodox gas well location 660 feet from the North and East lines of Section 34, Township 20 South, Range 35 East, NMPM, to test the Undesignated West Osudo-Morrow Gas Pool, Lea County, New Mexico.
- (3) The N/2 of said Section 34 is to be dedicated to the well.
- (4) Said gas well is a reentry of a plugged and abandoned well previously drilled to test the Strawn and Morrow formations.
- (5) No offset operator objected to the proposed unorthodox location.
- (6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable

-2-
Case No. 8801
Order No. R-8126

share of the gas in the affected 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 THAT:

(1) The application of Nearburg Producing Company for an unorthodox gas well location for the Undesignated West Osudo-Morrow Gas Pool, is hereby approved for a well to be located at a point 660 feet from the North and East lines of Section 34, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) The N/2 of said Section 34 shall be dedicated to the above-described well.

(3) 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



R. L. STAMETS,
Director

S E A L