

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3279
Order No. R-2945

APPLICATION OF STANDARD OIL COMPANY
OF TEXAS FOR A NON-STANDARD UNIT AND
AN UNORTHODOX LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 1st day of September, 1965, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Standard Oil Company of Texas, seeks approval of an unorthodox location for its Federal 34 Well No. 1 to be drilled 990 feet from the South line and 990 feet from the East line of Section 34, Township 20½ South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

(3) That the applicant also seeks approval of a 688-acre non-standard gas proration unit in the Indian Basin-Upper Pennsylvanian Gas Pool comprising all of partial Sections 34 and 35, Township 20½ South, Range 23 East, NMPM, Eddy County, New Mexico, to be dedicated to the subject well.

(4) That the unorthodox size and shape of the proposed non-standard unit is due to variations in the U. S. Public Lands Survey.

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(5) That due to the unorthodox size and shape of the proposed non-standard unit a well cannot be drilled at a standard location on said unit.

(6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject well.

(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 Indian Basin-Upper Pennsylvanian Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox location is hereby approved for the Standard Oil Company of Texas Federal 34 Well No. 1 to be drilled 990 feet from the South line and 990 feet from the East line of Section 34, Township 20 $\frac{1}{2}$ South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

(2) That a 688-acre non-standard gas proration unit in the Indian Basin-Upper Pennsylvanian Gas Pool comprising all of partial Sections 34 and 35, Township 20 $\frac{1}{2}$ South, Range 23 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to the Standard Oil Company of Texas Federal 34 Well No. 1.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

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A. I. PORTER, JR., Member & Secretary