

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. 5193
Order No. R-4759

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR A DRILLING PERMIT
IN THE POTASH-OIL AREA, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1974, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 2nd day of April, 1974, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Belco Petroleum Corporation, seeks authority to drill its proposed Bass-Federal Well No. 2 to test the Pennsylvanian formation at an unorthodox location 660 feet from the South line and 1300 feet from the East line of Section 30, Township 20 South, Range 33 East, NMPM, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico, said location being within the boundaries of the Potash-Oil Area as defined by Commission Order R-111-A, and having been objected to by the owner of potash leases in the Area. This unorthodox location was previously approved by the Commission by Order No. R-4699.
- (3) That the entire S/2 of said Section 30 may reasonably be presumed to be productive of gas from the Morrow formation.
- (4) That a well drilled at the proposed location would not be in sufficient proximity to commercial deposits of potash to impose a hazard to the mining of such deposits.
- (5) That approval of the application is necessary to prevent waste and protect correlative rights.

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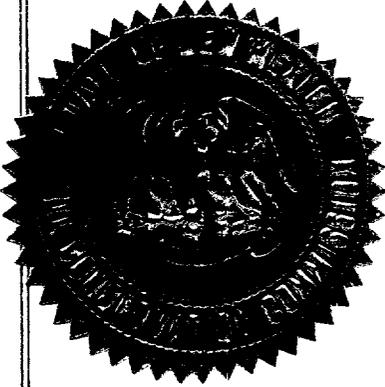
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IT IS THEREFORE ORDERED:

(1) That Belco Petroleum Corporation is hereby authorized to drill its proposed Bass-Federal Well No. 2 in the Potash Oil Area at an unorthodox location 660 feet from the South line and 1300 feet from the East line of Section 30, Township 20 South, Range 33 East, NMPM, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico.

(2) 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

I. R. Trujillo
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, JR., Member & Secretary

S E A L

jr/