

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9577
ORDER NO. R-8859

APPLICATION OF MERIDIAN OIL, INC.
FOR AN UNORTHODOX OIL WELL LOCATION,
EDDY COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 18, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 3rd day of February, 1989, 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, Meridian Oil, Inc., seeks approval of an unorthodox oil location for its Robinson-Jackson Unit Tr. 2A Well No. 33 located 385 feet from the North line and 1325 feet from the East line (Unit B) of Section 27, Township 17 South, Range 29 East, NMPM, to test the Grayburg Jackson (SR-Q-G-SA) Pool, Robinson-Jackson Waterflood Project, Eddy County, New Mexico.

(3) The NW/4 NE/4 of said Section 27 is to be dedicated to said well and to the existing Meridian Oil, Inc. Robinson-Jackson Unit Tr. 2A Well No. 2 located at a standard oil well location 660 feet from the North line and 1980 feet from the East line of said Section 27.

(4) A well at an unorthodox location will better enable the applicant to produce the oil underlying the proration unit.

(5) No offset operator objected to the proposed unorthodox location.

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(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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 Meridian Oil, Inc. for an unorthodox oil well location for the Grayburg Jackson (SR-Q-G-SA) Pool, Robinson-Jackson Waterflood Project, is hereby approved for its Robinson-Jackson Unit Tr. 2A Well No. 33 located at a point 385 feet from the North line and 1325 feet from the East line (Unit B) of Section 27, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) The NW/4 NE/4 of said Section 27 shall be dedicated to the above-described well and the existing Meridian Oil, Inc. Robinson-Jackson Unit Tr. 2A Well No. 2 located at a standard oil well location 660 feet from the North line and 1980 feet from the East line of said Section 27.

(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


WILLIAM J. LEMAY
Director

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