

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. 8616
Order No. R-7974

APPLICATION OF MOROILCO. INC. FOR AN
UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on June 5, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 9th day of July, 1985, 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, MorOilCo. Inc., seeks approval of an unorthodox gas well location for a well to be recompleted 330 feet from the North line and 330 feet from the East line of Section 33, Township 19 South, Range 34 East, NMPM, to test the Seven Rivers formation, Lea County, New Mexico.

(3) The NE/4 of said Section 33 is to be dedicated to the well.

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

(5) William F Carr with the law firm Campbell and Black, P.A., of Santa Fe appeared on behalf of ARCO Oil and Gas Company, an offset operator, but did not enter an objection to the application.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable

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.

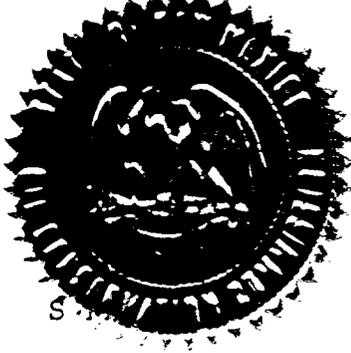
IT IS THEREFORE ORDERED THAT:

(1) The application of MorOilCo. Inc. for an unorthodox gas well location for the Seven Rivers formation is hereby approved for a well to be recompleted at a point 330 feet from the North line and 330 feet from the East line of Section 33, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) The NE/4 of said Section 33 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

A handwritten signature in cursive script, appearing to read "R. L. Stamets", is written over the typed name.

R. L. STAMETS,
Director