

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. 6589
Order No. R-6081

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 11, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of August, 1979, the Division
Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, seeks
approval of an unorthodox gas well location for its State "BV"
Well No. 2 to be drilled at a point 2109 feet from the North
line and 1778 feet from the West line of Section 25, Township
17 South, Range 28 East, NMPM, to test the Morrow formation,
South Empire-Morrow Gas Pool, Eddy County, New Mexico.

(3) That the N/2 of said Section 25 is to be dedicated
to the well.

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

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

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(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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.

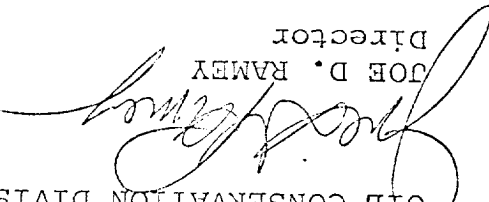
IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for the Atlantic Richfield Company State "BV" Well No. 2 to be drilled at a point 2109 feet from the North line and 1778 feet from the West line of Section 25, Township 17 South, Range 28 East, NMPM, South Empire-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the N/2 of said Section 25 shall be dedicated to the above-described well.

(3) That 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 herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMSEY
Director

S E A L

Ed/