BEFOR THE OIL CONSERVATION COMM. (ION 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. 5571 Order No. R-5139

RECEIVED

APPLICATION OF ROBERT G. COX FOR AMENDMENT OF ORDER NO. R-4561, EDDY COUNTY, NEW MEXICO.

DEC 1 9 1975

ORDER OF THE COMMISSION

O. C. C. ARTESIA. OFFICE

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of December, 1975, 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, Robert G. Cox, is the owner and operator of the Federal "EA" Well No. 1, a crooked hole, the surface location of which is 330 feet from the North line and 330 feet from the West line of Section 12, Township 18 South, Range 27 East, NMPM, Empire-Abo Pool, Eddy County, New Mexico.

(3) That when originally drilled, the subject well deviated 23 feet to the South and 172 feet to the West of the surface location at a measured depth of 6050 feet (true vertical depth 6046 feet) in the Empire-Abo Pool.

(4) That on June 25, 1973, the Commission entered Order No. R-4561 which authorized the applicant to re-enter said well, set a whipstock at approximately 4,200 feet and directionally drill said well to a depth of approximately 6,200 feet, bottoming the well in the Empire-Abo Pool at a point within 100 feet of the surface location.

(5) That Order No. R-4561 also required that the applicant make a continuous multi-shot directional survey of said well from total depth to the whipstock point with shot points not more than 100 feet apart and provide a copy of the survey to the Commission. -2-Case No. 5571 Order No. R-5139

(6) That the applicant seeks amendment of said Order No. R-4561 to permit bottoming of the subject well approximately 58 feet from the North line and 8 feet from the West line of said Section 12 and to permit vertification of said downhole location by single-shot directional surveys made concurrently with the drilling of said well.

(7) That the evidence introduced at the hearing clearly established that the applicant made no effort to comply with the provisions of Order No. R-4561 which required the bottoming of said well within 100 feet of the surface location.

(8) That the evidence further established that the well had been intentionally deviated toward the Northwest corner of the spacing unit well beyond the 100 foot target described in Finding No. (4) above.

(9) That the bottom hole location of said Federal "EA" Well No. 1 is approximately 58 feet from the North line and 8 feet from the West line of said Section 12.

(10) That the operators of off-setting acreage appeared at the hearing and objected to the production of said well completed at this bottom hole location.

(11) That a well produced at this bottom hole location would cause drainage across lease lines which would not be equalized by counter-drainage.

(12) That Section 65-3-10 NMSA, 1953 Compilation, places upon the Commission the duty to protect the correlative rights of the owners of mineral interests in oil and gas pools in New Mexico.

(13) That granting this application would impair the correlative rights of the owners of the acreage off-setting the said Federal "EA" Well No. 1.

(14) That to protect correlative rights the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Robert G. Cox for amendment of Order No. R-4561 is hereby denied.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. -3-Case No. 5571 Order No. R-5139

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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PHIL R. LUCERO, Chairman

ARNOLD Member EMER JOE D. RAMEY, Member & Secretary

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