STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

D. C. C.

CASE NO. 6207 Order No. R-5717

APPLICATION OF BELCO PETROLEUM CORPORATION FOR AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>28th</u> day of April, 1978, 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, Belco Petroleum Corporation, seeks approval of an unorthodox location for its Little et al Well No. 1 to be drilled 1290 feet from the South line and 1720 feet from the West line of Section 20, Township 22 South, Range 27 East, NMPM, South Carlsbad-Cherry Canyon Pool, Eddy County, New Mexico.

(3) That the SE/4 SW/4 of said Section 20 is to be dedicated to the well.

(4) That the unorthodox location is necessitated due to City of Carlsbad Ordinance No. 748 requiring that no well be drilled nearer than 500 feet to any residence, hospital, school, or commercial building located within the City.

(5) That a well at said unorthodox location will enable applicant to drill upon and to produce the oil underlying the proration unit.

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