

STATE OF NEW MEXICO
ENERG. 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. 6761
Order No. R-6231

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION AND APPROVAL OF INFILL
DRILLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, 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, Phillips Petroleum Company, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the West line of Section 2, Township 24 South, Range 28 East, NMPM, to test the Atoka and Morrow formations, Malaga Field, Eddy County, New Mexico.
- (3) That the W/2 of said Section 2 is to be dedicated to the well in both of the aforesaid formations, and in the Morrow formation, this would constitute simultaneous dedication of said lands to the subject well and to applicant's Malaga "A" Well No. 1, located in Unit L of said Section 2.
- (4) That the applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain the Morrow formation underlying that portion of the pro-ration unit, being the W/2 of said Section 2, which cannot be so drained by the existing well.