



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. 8442  
Order No. R-7777

APPLICATION OF RIO PECOS CORPORATION  
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 December 19, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 9th day of January, 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, Rio Pecos Corporation, seeks approval of an unorthodox gas well location 1980 feet from the North line and 1500 feet from the East line of Section 18, Township 16 South, Range 34 East, NMPM, to test the Atoka and Morrow formations, South Kemnitz Atoka-Morrow Gas Pool, Lea County, New Mexico.
- (3) The N/2 of said Section 18 is to be dedicated to the well to form a standard 320-acre gas proration and spacing unit within said South Kemnitz Atoka-Morrow Gas Pool.
- (4) A well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (5) No offset operator objected to the proposed unorthodox location.

(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 Rio Pecos Corporation for an unorthodox gas well location for the Atoka and Morrow formations is hereby approved for a well to be located at a point 1980 feet from the North line and 1500 feet from the East line of Section 18, Township 16 South, Range 34 East, NMPM, South Kemnitz Atoka-Morrow Gas Pool, Lea County, New Mexico.

(2) The N/2 of said Section 18 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  
*R. L. Stamets*  
R. L. STAMETS,  
Director