

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. 8585
Order No. R-7912

APPLICATION OF UNION OIL COMPANY
OF CALIFORNIA FOR AN EXCEPTION TO
DIVISION ORDER NO. R-2212, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on April 24, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 3rd day of May, 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) RULE 4 of the SPECIAL RULES AND REGULATIONS FOR THE NORTH ANDERSON RANCH-WOLFCAMP POOL as promulgated by Division Order No. R-2212, dated April 18, 1962, requires the initial well on any 80-acre spacing and proration unit to be located on either the NE/4 or the SW/4 of a governmental quarter section.

(3) The applicant, Union Oil Company of California, seeks an exception to the above-described rule to authorize an unorthodox oil well location for its Brown State Unit Well No. 1 to be located 660 feet from the North line and 1980 feet from the East line of Section 28, Township 15 South, Range 32 East, NMPM, Lea County, New Mexico.

(4) The W/2 NE/4 of said Section 28 is to be dedicated to the well.

(5) A well at said unorthodox location will better enable applicant to produce the oil underlying the pro-
ration unit.

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

(7) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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.

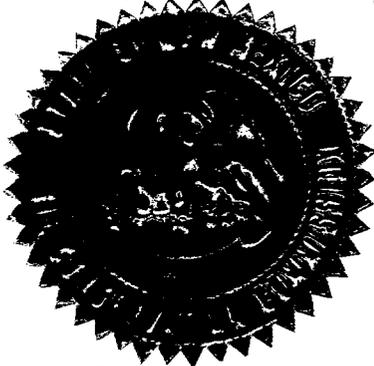
IT IS THEREFORE ORDERED THAT:

(1) The application of Union Oil Company of California for an exception to RULE 4 of the SPECIAL RULES AND REGULATIONS FOR THE NORTH ANDERSON RANCH-WOLFCAMP POOL as promulgated by Division Order No. R-2212, dated April 18, 1962, is hereby approved for its Brown State Unit Well No. 1 to be located at an unorthodox oil well location 660 feet from the North line and 1980 feet from the East line of Section 28, Township 15 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) The W/2 NE/4 of said Section 28 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.



S E A L
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STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'R. L. Stamets', written over the typed name.

R. L. STAMETS
Director