

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. 8272
Order No. R-7618

APPLICATION OF SHELL WESTERN E & P,
INC., 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 July 25, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 7th day of August, 1984, 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, Shell Western E & P, Inc., seeks approval of an unorthodox gas well location for its Antelope Ridge Unit Well No. 9 to be located 1285 feet from the South line and 660 feet from the East line of Section 33, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, to test the Antelope Ridge-Devonian Gas Pool and the Ellenburger formation.

(3) That all of said Section 33 is to be dedicated to the well if gas is produced from the Antelope Ridge-Devonian Gas Pool and the S/2 of said Section 33 is to be dedicated to said well if gas is produced from the Ellenburger formation.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the appropriate proration unit.

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

(6) That 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 or formation, 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.

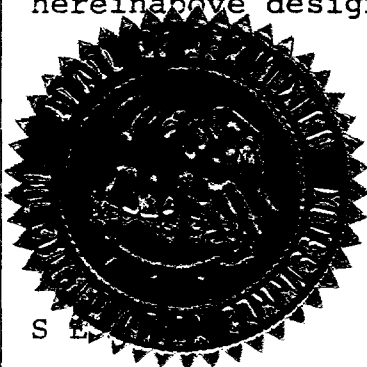
IT IS THEREFORE ORDERED:

(1) That the application of Shell Western E & P, Inc. for an unorthodox gas well location for its Antelope Ridge Unit Well No. 9 to be located at a point 1285 feet from the South line and 660 feet from the East line of Section 33, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, is hereby approved for the Antelope Ridge-Devonian Gas Pool and the Ellenburger formation.

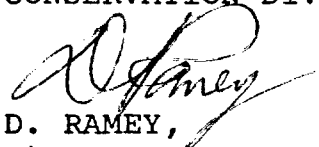
(2) That all of said Section 33 shall be dedicated to the above-described well if gas is produced from the Antelope Ridge-Devonian Gas Pool and the S/2 of said Section 33 shall be dedicated to said well if gas is produced from the Ellenburger formation.

(3) That 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


JOE D. RAMEY,
Director