

Entered April 15, 1980
JLR

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. 6849
Order No. R-6196-A

APPLICATION OF PETROLEUM DEVELOPMENT
CORPORATION TO AMEND ORDER NO. R-6196,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 26, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of April, 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, Petroleum Development Corporation, seeks to amend Order No. R-6196 which authorized re-entry of a well at an unorthodox location in the Lusk-Morrow Gas Pool to be dedicated to the N/2 of Section 13, Township 19 South, Range 31 East, Eddy County, New Mexico.
- (3) That the applicant was unable to successfully re-enter the old well as approved in said Order No. R-6196.
- (4) That the applicant now seeks approval to drill a new well at an unorthodox gas well location 750 feet from the North line and 660 feet from the West line of said Section 13, 90 feet South of the attempted re-entry.
- (5) That the N/2 of said Section 13 is to be dedicated to the well.

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

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

(8) That rather than amend said Order No. R-6196 a new order should be entered authorizing the drilling of a new well at the proposed unorthodox gas well location.

(9) That Order No. R-6196 should be superseded.

(10) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 750 feet from the North line and 660 feet from the West line of Section 13, Township 19 South, Range 31 East, NMPM, Lusk-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the N/2 of said Section 13 shall be dedicated to the above-described well.

(3) That Division Order No. R-6196 entered November 21, 1979, is hereby superseded.

(4) 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

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