

*EXAMINER HEARING - AUGUST 6, 1998*

*Docket No. 22-98*

*Page 3*

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**CASE 12015:** (Continued from July 23, 1998, Examiner Hearing.)

**Application of Gruy Petroleum Management for an unorthodox well location and simultaneous dedication, Lea County, New Mexico.** Applicant seeks an exception to Oil Conservation Division Rule 104.C.(2) to authorize an unorthodox gas well location for the Rhodes Federal Unit Well No. 43 at a point 2310 feet from the South line and 990 feet from the West line (Unit L) of Section 4, Township 26 South, Range 37 East, and authorization to simultaneously dedicate this well and its Rhodes Federal Unit Wells 43 and 415 to a standard gas spacing unit comprised of the SW/4 of Section 4 in the Rhodes-Yates-Seven Rivers Gas Pool. Said wells are located approximately 3 miles south-southeast of Jal, New Mexico.

**CASE 12017:** (Continued from July 23, 1998, Examiner Hearing.)

**Application of Gruy Petroleum Management for an unorthodox well location and simultaneous dedication, Lea County, New Mexico.** Applicant seeks an exception to Oil Conservation Division Rule 104.C.(2) to authorize an unorthodox gas well location for the Rhodes State Com. Well No. 5 at a point 330 feet from the North line and 2310 feet from the West line (Unit C) of Section 16, Township 26 South, Range 37 East, and authorization to simultaneously dedicate that well and its Rhodes State Com. Wells 18 and 19 to a standard gas spacing unit comprised of the NW/4 of Section 16 in the Rhodes-Yates-Seven Rivers Gas Pool. These wells are located approximately 5 miles south-southeast of Jal, New Mexico.

**CASE 11811:** (Continued from May 14, 1998, Examiner Hearing.)

**Application of the Oil Conservation Division for an order requiring Hanson Energy to plug seventeen (17) wells in Eddy County, New Mexico.** In the matter of the hearing called by the Oil Conservation Division ("Division") to permit the operator, Hanson Energy, Gulf Insurance Company, and all other interested parties to appear and show cause why seventeen (17) wells located in Township 18 South, Range 28 East and Township 17 South, Ranges 27 and 28 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug said wells, the Division seeks an order (i) authorizing the Division to plug said wells, (ii) declaring forfeiture of the plugging bond, if any, covering said wells, and (iii) authorizing the Division to recover from the operator the costs of plugging the wells in excess of the amount of the bond. Said wells are located approximately 10 miles south-southeast of Artesia, New Mexico.