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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 2036 Order No. R-1748

APPLICATION OF CHARLES LOVELESS FOR A 280-ACRE NON-STANDARD GAS UNIT IN THE ATOKA-PENNSYLVANIAN GAS POOL, EDDY COUNTY, NEW MEXICO, AND FOR AN UNORTHODOX GAS WELL LOCATION IN SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 27, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>10th</u> day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Charles Loveless, is the operator of the NE/4, N/2 NW/4 and the SW/4 NW/4 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant proposes that the above-described acreage be established as a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool, said unit to be dedicated to the Brunner No. 1 Dayton Townsite Well to be located on an unorthodox location at a point 1650 feet from the North line and 2310 feet from the East line of said Section 21.
- (4) That thus far the applicant and the owner of the SE/4 NW/4 of said Section 21 have been unable to agree on a communitization agreement to form a standard 320-acre gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the N/2 of said Section 21.

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- (5) That inasmuch as the owner of the SE/4 NW/4 of said Section 21 may communitize his acreage with the 280-acre unit proposed by the applicant, approval of the subject non-standard gas unit will not impair correlative rights.
- (6) That while the proposed location is unorthodox for a gas well in the Atoka-Pennsylvanian Gas Pool, its approval will not cause waste.

IT IS THEREFORE ORDERED:

That a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the NE/4, N/2 NW/4 and SW/4 NW/4 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the Brunner No. 1 Dayton Townsite Well to be located on an unorthodox location at a point 1650 feet from the North line and 2310 feet from the East line of said Section 21.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

TOUN BUDDOUGUS Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

SEAL