Entered June 8, 1977

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. 5888 Order No. R-5437

APPLICATION OF DALPORT OIL CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>8th</u> day of June, 1977, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Dalport Oil Corporation, seeks approval of an unorthodox gas well location for its A. L. Christmas Well No. 3 to be drilled 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the SE/4 of said Section 25 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the 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 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. -2-Case No. 5888 Order No. R-5437

## IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for applicant's A. L. Christmas Well No. 3 to be drilled at a point 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the SE/4 of said Section 25 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION PHIL LUCERO, Chairm R EMERY RNOLD Amb Member & Secretary

SEAL