Entered June 21, 1711

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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. 5952 Order No. R-5473

APPLICATION OF HUDSON & HUDSON FOR UNORTHODOX OIL WELL LOCATIONS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 8, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st 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, Hudson & Hudson, seeks approval for the unorthodox locations of 14 oil wells to be drilled at the following locations in the Maljamar Grayburg-San Andres Pool, Eddy County, New Mexico:

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

| Unit | Α | 25 | feet | from | North | line, | 330 | feet | from | East | line |
|------|--------------|------|------|------|-------|-------|------|------|------|------|------|
| Unit | В | 25 | feet | from | North | line, | 1345 | feet | from | East | line |
| Unit | С | 25 | feet | from | North | line, | 2615 | feet | from | West | line |
| Unit | D | 25 | feet | from | North | line, | 1295 | feet | from | West | line |
| Unit | E | 1345 | feet | from | North | line, | 1295 | feet | from | West | line |
| Unit | \mathbf{F} | 1345 | feet | from | North | line, | 2615 | feet | from | West | line |
| Unit | G | 1345 | feet | from | North | line, | 1345 | feet | from | East | line |
| Unit | H | 1345 | feet | from | North | line, | 330 | feet | from | East | line |
| Unit | I | 2615 | feet | from | South | line, | 330 | feet | from | East | line |
| Unit | J | 2615 | feet | from | South | line, | 1345 | feet | from | East | line |
| Unit | L | 2615 | feet | from | South | line, | 1295 | feet | from | West | line |
| Unit | N | 1295 | feet | from | South | line, | 2615 | feet | from | West | line |
| Unit | 0 | 1295 | feet | from | South | line, | 1345 | feet | from | East | line |
| Unit | Р | 1295 | feet | from | South | line, | 330 | feet | from | East | line |

- (3) That additional wells drilled at the aforesaid unorthodox locations will better enable applicant to produce the oil underlying the lands dedicated to said wells.
- (4) That no offset operator objected to the proposed unorthodox locations.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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 14 unorthodox oil well locations are hereby approved to be drilled in the Maljamar Grayburg-San Andres Pool, Eddy County, New Mexico:

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

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25 feet from North line, 330 feet from East line 25 feet from North line, 1345 feet from East line 25 feet from North line, 2615 feet from West line 25 feet from North line, 1295 feet from West line 1345 feet from North line, 1295 feet from West line 1345 feet from North line, 2615 feet from West line 1345 feet from North line, 1345 feet from East line
Unit A
Unit B
Unit C
Unit D
Unit E
Unit F
Unit G
               1345 feet from North line, 1345 feet from East line
               1345 feet from North line, 330 feet from East line
Unit H
               2615 feet from South line, 330 feet from East line 2615 feet from South line, 1345 feet from East line
Unit I
Unit J
               2615 feet from South line, 1295 feet from West line
Unit L
Unit N
               1295 feet from South line, 2615 feet from West line
               1295 feet from South line, 1345 feet from East line 1295 feet from South line, 330 feet from East line
Unit O
Unit P
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- (2) That the indicated 40-acre tract shall be dedicated to each of the above-described wells.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-Case No. 5952 Order No. R-5473

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY & ARNOLD Member

JOE D. RAMEY, Member & Secretary

SEAL