

Entered November 25, 1980
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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. 7079
Order No. R-5727-A

APPLICATION OF HNG OIL COMPANY FOR
THE AMENDMENT OF ORDER NO. R-5727,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 12, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of November, 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, HNG Oil Company, seeks the amendment of Order No. R-5727 to include the entire Pennsylvanian formation under the compulsory pooling order rather than only the Morrow formation as previously ordered.

(3) That said Order No. R-5727 compulsorily pooled a 320-acre gas spacing and proration unit consisting of the N/2 of Section 9, Township 24 South, Range 28 East, NMPM, for drilling to and production from the Morrow formation.

(4) That the applicant has completed a well at a standard location on said unit.

(5) That the applicant now seeks said amendment of Order No. R-5727 in order to permit it to complete its well in other productive zones in the Pennsylvanian formation.

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(6) That there is a single interest owner in five acres within said proration unit who cannot be found and cannot, therefore, agree to pool his interests in the Pennsylvanian formation.

(7) That approval of the application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

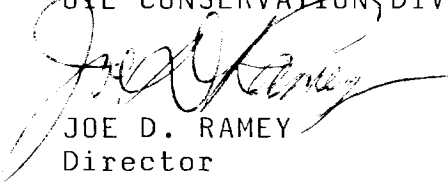
(1) That the first paragraph of Order (1) of Division Order No. R-5727 entered May 12, 1978, is hereby amended in its entirety to read as follows:

"(1) That all mineral interests, whatever they may be, in the Pennsylvanian formation underlying the N/2 of Section 9, Township 24 South, Range 28 East, NMPM, West Malaga Field, Eddy County, New Mexico, are hereby pooled to form a standard 320-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon."

(2) 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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