

Entered June 12, 1978
JLR

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. 6228
Order No. R-5738

APPLICATION OF DEPCO, INC., FOR AN
UNORTHODOX LOCATION, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 17, 1978,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of June, 1978, 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, Depco, Inc., seeks approval of an
unorthodox gas well location for its R & S Federal Com Well No.
1 to be drilled at a point 1980 feet from the South line and
990 feet from the West line of Section 17, Township 15 South,
Range 28 East, NMPM, to test the Pennsylvanian formation,
Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New
Mexico.
- (3) That the S/2 of said Section 17 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 un-
orthodox location.

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(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.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for the Depco, Inc. R & S Federal Com Well No. 1 to be drilled at a point 1980 feet from the South line and 990 feet from the West line of Section 17, Township 15 South, Range 28 East, NMPM, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.

(2) That the S/2 of said Section 17 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 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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