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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. 6246 Order No. R-5750

APPLICATION OF EXXON CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u>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, Exxon Corporation, seeks approval of an unorthodox gas well location for a well to be drilled at a point 1880 feet from the South line and 825 feet from the West line of Section 30, Township 26 South, Range 26 East, NMPM, to test the Morrow and Silurian formations, Eddy County, New Mexico.

(3) That the S/2 of said Section 30 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 -2-Case No. 6246 Order No. R-5750

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 Morrow and Silurian formations is hereby approved for Exxon Corporation for a well to be drilled at a point 1880 feet from the South line and 825 feet from the West line of Section 30, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

(2) That the S/2 of said Section 30 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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