

Entered September 1, 1978

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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. 6305
Order No. R-5798

APPLICATION OF FLAG-REDFERN OIL
COMPANY FOR TWO UNORTHODOX LOCATIONS
AND TWO NON-STANDARD OIL PRORATION
UNITS, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 30, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of September, 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, Flag-Redfern Oil Company, seeks approval of a 61.14-acre non-standard proration unit comprising Unit K and Lot 3 of Section 16, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico, to be dedicated to a well to be drilled 2130 feet from the South line and 467 feet from the East line of said Section 16; and a 60.43-acre non-standard proration unit comprising Unit N and Lot 4 of said Section 16 to be dedicated to a well to be drilled 810 feet from the South line and 467 feet from the East line of the section.
- (3) That wells at said unorthodox locations will better enable applicant to produce the oil underlying each of the above-described proration units.

-2-

Case No. 6305
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(4) That no offset operator objected to the proposed unorthodox locations nor to the proposed proration units.

(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.

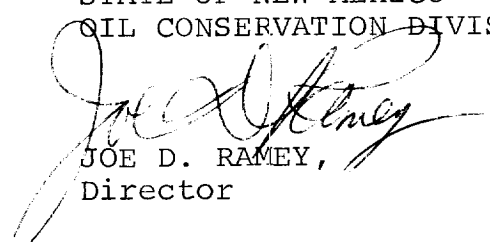
IT IS THEREFORE ORDERED:

(1) That a 61.14-acre non-standard proration unit comprising Unit K and Lot 3 of Section 16, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico, is hereby approved to be dedicated to a well to be drilled at an unorthodox location 2130 feet from the South line and 467 feet from the East line of said Section 16; and a 60.43-acre non-standard proration unit comprising Unit N and Lot 4 of said Section 16 is hereby approved to be dedicated to a well to be drilled at an unorthodox location 810 feet from the South line and 467 feet from the East line of the section.

(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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