Entered June 26, 19>9 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. 6567

Order No. R-6039

APPLICATION OF MEWBOURNE OIL COMPANY FOR AN UNORTHODOX WELL LOCATION, CHAVES COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 13, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 26th day of June, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

## FINDS:

- That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- That the applicant, Mewbourne Oil Company, seeks approval of an unorthodox gas well location for its State 25 Com Well No. 1, to be drilled at a point 660 feet from the South line and 1650 feet from the West line of Section 25, Township 14 South, Range 27 East, NMPM, to test the Pennsylvanian formation, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.
- That the S/2 of said Section 25 is to be dedicated to (3) the well.
- That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- That no offset operator objected to the proposed unorthodox 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 Mewbourne Oil Company State 25 Com Well No. 1 to be drilled at a point 660 feet from the South line and 1650 feet from the West line of Section 25, Township 14 South, Range 27 East, NMPM, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.
- (2) That the S/2 of said Section 25 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 herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION OIVISION

JOE D. RAMEY

Director

SEAL