

Entered June 26, 1979
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. 6568
Order No. R-6040

APPLICATION OF DALLAS McCASLAND
FOR APPROVAL OF INFILL DRILLING,
LEA 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:

(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, Dallas McCasland, seeks a finding
that the drilling of his Woolworth Well No. 5 to be located in
Unit N of Section 28, Township 24 South, Range 37 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico, is necessary to
effectively and efficiently drain a portion of the reservoir
covered by the proration unit which cannot be so drained by the
existing well.

(3) That the applicant further seeks approval of a waiver
of existing well-spacing requirements.

(4) That the standard spacing unit in the Jalmat Gas Pool
is 640 acres.

(5) That Dallas McCasland is the operator of a 160-acre
non-standard proration unit consisting of the SW/4 of said
Section 28 in said Jalmat Gas Pool.

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(6) That said 160-acre non-standard proration unit is dedicated to the applicant's Woolworth Well No. 3 located in Unit M of said Section 28.

(7) That the evidence presented demonstrated that said Woolworth Well No. 3 cannot as effectively and efficiently drain said dedicated 160-acre non-standard proration unit as would a new well to be drilled thereon (said Woolworth Well No. 5) which may be completed and stimulated using modern techniques and processes.

(8) That the evidence presented further demonstrated that the drilling and completion of applicant's said Woolworth Well No. 5 should result in the production of an additional 175,000 MCF of gas from said non-standard proration unit which would not otherwise be recovered.

(9) That such additional recovery will result in such unit being more efficiently and economically drained.

(10) That said Woolworth Well No. 5 is to be drilled as an "infill" well on the existing 160-acre non-standard proration unit.

(11) That in order to permit the drainage of a portion of the reservoir covered by said 160-acre non-standard proration unit which cannot be effectively and efficiently drained by the existing well thereon, the subject application for infill drilling should be approved as an exception to the standard well spacing requirements for said Jalmat Gas Pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Dallas McCasland, is hereby authorized to drill his Woolworth Well No. 5 to be located in Unit N of Section 28, Township 24 South, Range 37 East, NMPM, as an infill well on an existing 160-acre non-standard proration unit being the SW/4 of said Section 28, Jalmat Gas Pool, Lea County, New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by the existing 160-acre non-standard proration unit which cannot efficiently and economically be drained by any existing well thereon.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

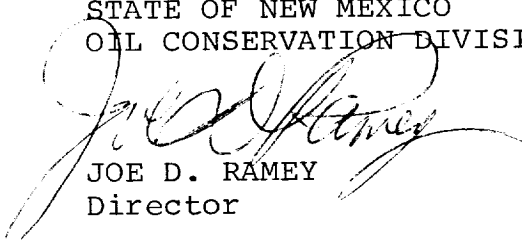
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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