

Entered September 24, 1979
JDR

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. 6636
Order No. R-6118

APPLICATION OF EXXON CORPORATION
FOR AN UNORTHODOX WELL LOCATION AND
SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 5, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of September, 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, Exxon Corporation, seeks approval of an unorthodox gas well location for its New Mexico "G" State Well No. 20 located 660 feet from the South line and 660 feet from the West line of Section 23, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant further seeks to simultaneously dedicate all of said Section 23 to the above described well and to its New Mexico "G" State Well No. 5 located in Unit E of said section.

(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 or simultaneous dedication.

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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.

(7) That Division Administrative Order NSL-1040 should be superseded.

IT IS THEREFORE ORDERED:

(1) That Exxon Corporation is hereby authorized to drill its New Mexico "G" State Well No. 20 at an unorthodox location 660 feet from the South line and 660 feet from the West line of Section 23, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

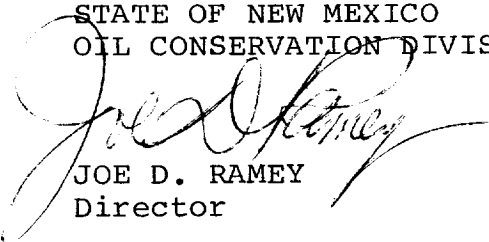
(2) That all of said Section 23 shall be simultaneously dedicated to the above-described well and to applicant's New Mexico "G" State Well No. 5 located in Unit E of said section.

(3) That Division Administrative Order NSL-1040 is hereby superseded.

(4) 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 DIVISION


JOE D. RAMEY
Director

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