Entered September 24, 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. 6637 Order No. R-6119

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 Knox Well No. 13 located 1650 feet from the North line and 990 feet from the East line of Section 10, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant further seeks to simultaneously dedicate the E/2 of said Section 10 to the above described well and to its Knox Well No. 1 located in Unit J of said Section 10.

(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 and 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.

IT IS THEREFORE ORDERED:

(1) That Exxon Corporation is hereby authorized to drill its Knox Well No. 13 at an unorthodox location 1650 feet from the North line and 990 feet from the East line of Section 10, Township 21 South, Range 36 East, NMPM, Eumont Gas Pcol, Lea County, New Mexico.

(2) That the E/2 of said Section 10 shall be simultaneously dedicated to the above-described well and to applicant's Knox Well No. 1 located in Unit J of said Section 10.

(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 QIVISION JOE D. RAMEY Director

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