Entered October 10, 1939 Fik

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. 6658 Order No. R-6133

APPLICATION OF TEXAS PACIFIC OIL COMPANY, INC. FOR AN UNORTHODOX WELL LOCATION AND A NON-STANDARD PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 19, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>10th</u> day of October, 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, Texas Pacific Oil Company, Inc., seeks approval of a 160-acre non-standard gas proration unit comprising the S/2 NE/4 and N/2 SE/4 of Section 14, Township 24 South, Range 36 East, NMPM, to be dedicated to its J. W. Cooper Well No. 8, located at an unorthodox location 2010 feet from the North line and 2310 feet from the East line of said Section 14.

(3) That said well was drilled and completed as an oil well at an orthodox oil well location but was recently reclassified as a gas well by the Division.

(4) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well. -2-Case No. 6658 Order No. R-6133

(5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Jalmat Gas 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 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the S/2 NE/4 and N/2 SE/4 of Section 14, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Texas Pacific Oil Company, Inc., J. W. Cooper Well No. 8 at an unorthodox location 2010 feet from the North line and 2310 feet from the East line of said Section 14.

(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 QIL CONSERVATION DIVISION nel JOE D. RAMEY Director

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