Entered October 10, 1929 Jack

## 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. 6667 Order No. R-6136

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 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, Exxon Corporation, seeks authority to simultaneously dedicate a 320-acre non-standard gas proration unit comprising the W/2 of Section 10, Township 21 South, Range 36 East, NMPM, to its A. J. Adkins Com Well No. 1, located in Unit L and to its Well No. 2, recently drilled at an unorthodox location 1650 feet from the North line and 1650 feet from the West line of said Section 10.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid two wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, -2-Case No. 6667 Order No. R-6136

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 simultaneously dedicate a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the W/2 of Section 10, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, to its A. J. Adkins Com Well No. 1, located in Unit L and its Well No. 2, at an unorthodox location 1650 feet from the North line and 1650 feet from the West line of said Section 10.

(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.

JOE D. RAMEY

Director

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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