

Entered November 14, 1979

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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. 6711
Order No. R-6176

APPLICATION OF SUN OIL COMPANY
OF DELAWARE FOR AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 31, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of November, 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, Sun Oil Company of Delaware, originally requested approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line of Section 27, Township 14 South, Range 37 East, NMPM, to test the Mississippian formation, Lea County, New Mexico.
- (3) That to avoid interference with agricultural operations, the applicant seeks the amendment of the application to provide for a location 1101 feet from the North line and 660 feet from the East line of said Section 27.
- (4) That the proposed amendment will result in a location which is less unorthodox than that originally sought in this case and should be approved.
- (5) That the E/2 of said Section 27 is to be dedicated to the well.

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(6) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(7) That no offset operator objected to the proposed unorthodox location.

(8) 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:

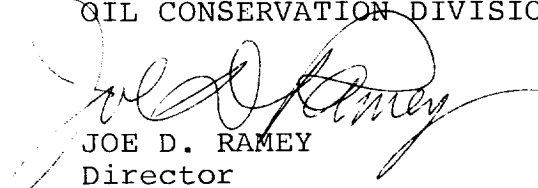
(1) That an unorthodox gas well location for the Mississippian formation is hereby approved for a well to be located at a point 1101 feet from the North line and 660 feet from the East line of Section 27, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the E/2 of said Section 27 shall be dedicated to the above-described well.

(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 DIVISION


JOE D. RAMEY
Director

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