

Entered January 7, 1980
JMR

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. 6740
Order No. R-6236

APPLICATION OF HONDO OIL AND GAS
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of January, 1980, 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, Hondo Oil and Gas Company, seeks approval of an unorthodox gas well location for its Federal 10 Well No. 1 to be located 1550 feet from the North line and 660 feet from the West line of Section 10, Township 18 South, Range 28 East, NMPM, to test the Pennsylvanian formation, Eddy County, New Mexico.

(3) That the N/2 of said Section 10 is to be dedicated to the well.

(4) That a well at said unorthodox location will not enable applicant to efficiently and effectively drain the dedicated proration unit.

(5) That dedication of the W/2 of said Section 10 would be more appropriate.

-2-

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Order No. R-6236

(6) That the subject application should be denied.

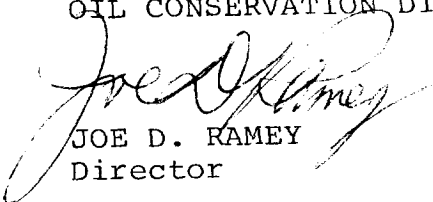
IT IS THEREFORE ORDERED:

(1) That the application of Hondo Oil and Gas Company for an unorthodox gas well location for its Federal 10 Well No. 1 to be located at a point 1550 feet from the North line and 660 feet from the West line of Section 10, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, is hereby denied.

(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 herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

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