Entered January 16, 1750

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. 6732 Order No. R-6239

APPLICATION OF DORCHESTER EXPLORATION, INC. FOR AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th 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, Dorchester Exploration, Inc., seeks approval of an unorthodox oil well location for its Morton Solid State Unit Well No. 1 located 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, NMPM, Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico.
- (3) That the NW/4 of said Section 4 is to be dedicated to the well.
- (4) That a well at said unorthodox location resulted from the completion of a well previously drilled to a deeper horizon.
- (5) That no offset operator objected to the proposed unorthodox location.

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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 oil 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 oil well location for the Upper Pennsylvanian formation is hereby approved for the Dorchester Exploration, Inc. Morton Solid State Unit Well No. 1 located at a point 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, NMPM, Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico.
- (2) That the NW/4 of said Section 4 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 QIL CONSERVATION DIVISION

JOE D. RAMEY

Director

SEAL