

Entered April 2, 1981
JWR

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. 7196
Order No. R-6638

APPLICATION OF DINERO OPERATING
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 March 11, 1981,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of April, 1981, 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, Dinero Operating Company, seeks
approval of an unorthodox gas well location 1980 feet from the
North line and 660 feet from the West line of Section 15, Town-
ship 22 South, Range 28 East, NMPM, to test the Pennsylvanian
formation, Eddy County, New Mexico.

(3) That the N/2 of said Section 15 is to be dedicated to
the well.

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

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

-2-
Case No. 7196
Order No. R-6638

(6) 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 the application of Dinero Operating Company for an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 1980 feet from the North line and 660 feet from the West line of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 15 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

fd/