

Entered June 25, 1981
JNR

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. 7269
Order No. R-6711

APPLICATION OF ALPHA TWENTY-ONE
PRODUCTION COMPANY FOR AN UNORTHODOX
GAS WELL LOCATION AND A NON-STANDARD
PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 3, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of June, 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, Alpha Twenty-One Production Company, seeks approval of a 120-acre non-standard proration unit comprising the E/2 SW/4 and the SW/4 SE/4 of Section 21, Township 21 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Lansford Well No. 4 at an unorthodox location 810 feet from the South line and 1880 feet from the East line of said Section 21.

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

(4) That no offset operator objected to either the proposed unorthodox location or non-standard proration unit.

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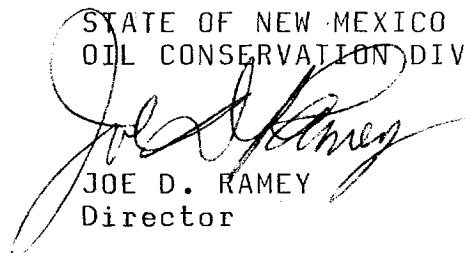
(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard proration unit comprising the E/2 SW/4 and the SW/4 SE/4 of Section 21, Township 21 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, is hereby approved and dedicated to applicant's Lansford Well No. 4 at an unorthodox location, hereby approved, 810 feet from the South line and 1880 feet from the East line of said Section 21.

(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

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