

Entered October 7, 1982
JMR

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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. 7688
Order No. R-7097

APPLICATION OF MOUNTAIN STATES PETROLEUM
CORPORATION FOR AN UNORTHODOX GAS WELL
LOCATION, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 29, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of October, 1982, 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, Mountain States Petroleum Corporation, seeks approval of an unorthodox gas well location to be drilled 990 feet from the North line and 990 feet from the East line of Section 19, Township 15 South, Range 28 East, NMPM, to test the Pennsylvanian formation, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.

(3) That the N/2 of said Section 19 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.

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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 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:

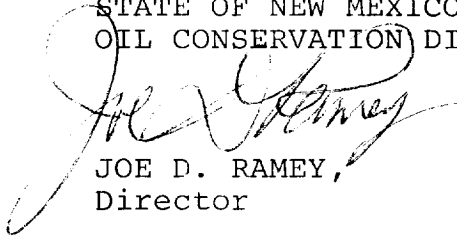
(1) That the application of Mountain States Petroleum Corporation for an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 990 feet from the North line and 990 feet from the East line of Section 19, Township 15 South, Range 28 East, NMPM, Chaves County, New Mexico.

(2) That the N/2 of said Section 19 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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