Entered August 23, 1983

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. 7938 Order No. R-7338

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APPLICATION OF O. H. BERRY FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 17, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>23rd</u> day of August, 1983, 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, O. H. Berry, seeks approval of an unorthodox oil well location 1335 feet from the North and East lines of Section 15, Township 24 South, Range 36 East, NMPM, Jalmat Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the SW/4 NE/4 of said Section 15 is to be dedicated to the well.

(4) That the ownership under the NE/4 of said Section 15 is common throughout.

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

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

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> (7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Jalmat 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 O. H. Berry for an unorthodox oil well location in the Jalmat Pool is hereby approved for a well to be located at a point 1335 feet from the North and East lines of Section 15, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That the SW/4 NE/4 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 hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION Utwi \mathcal{V} JOE D. RAMEY, Director

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