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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. 8254 Order No. R-7664

APPLICATION OF ALPHA TWENTY-ONE PRODUCTION COMPANY FOR HARDSHIP GAS WELL CLASSIFICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 11, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 1984, 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 a determination that its Lansford Well No. 1, located in Unit N of Section 21, Township 21 South, Range 37 East, NMPM, Hare-San Andres Gas Pool, Lea County, New Mexico, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- (3) That insufficient conclusive evidence was presented in this case upon which to make a finding that waste would occur if said Lansford Well No. 1 were shut-in or curtailed below its minimum sustainable flow rate.
- (4) That the application for designation of said well as a hardship gas well should be denied.

-2-Case No. 8254 Order No. R-7664

IT IS THEREFORE ORDERED:

- (1) That the application of Alpha Twenty-One Production Company for designation of the Lansford Well No. 1 located in Unit N of Section 21, Township 21 South, Range 37 East, NMPM, Hare-San Andres Gas Pool, Lea County, New Mexico, as a hardship gas well is hereby <u>denied</u>.
- (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 hereinabove designated.

STATE OF NEW MEXICO

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JOE D. RAMEY,

Director

SEAL