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. 8479 Order No. R-7827

APPLICATION OF ANADARKO PRODUCTION 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 8 a.m. on February 13, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>21st</u> day of February, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Anadarko Production Company, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line of Section 22, Township 21 South, Range 27 East, NMPM, Burton Flats-Morrow Gas Pool, Eddy County, New Mexico.

(3) The S/2 of said Section 22 is to be dedicated to the well.

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

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

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool, will prevent the

-2-Case No. 8479 Order No. R-7827

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 THAT:

(1) The application of Anadarko Production Company for an unorthodox gas well location for the Burton Flats-Morrow Gas Pool is hereby approved for a well to be located at a point 1980 feet from the South line and 660 feet from the West line of Section 22, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(2) The S/2 of said Section 22 shall be dedicated to the above-described well.

(3) 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 X Mam R. L. STAMETS, U Director

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