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. 8658 Order No. R-8027

APPLICATION OF HASELHOFF CORPORATION FOR THREE UNORTHODOX OIL WELL LOCATIONS, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 31 and August 28, 1985, at Santa Fe, New Mexico, before Examiners Gilbert P. Quintana and Michael E. Stogner, respectively.

NOW, on this 27th day of September, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiners, 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, Haselhoff Corporation, seeks approval of three unorthodox oil well locations as described in Exhibit "A", attached hereto and made a part hereof, all in Section 13, Township 7 South, Range 33 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.
- (3) The proration units described in Exhibit "A" shall be dedicated to the subject wells as shown.
- (4) The wells at said unorthodox locations will better enable the applicant to produce the oil underlying their respective proration units.
- (5) No offset operator objected to the proposed unorthodox locations.

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(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected 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 THAT:

- (1) The application of Haselhoff Corporation for three unorthodox oil well locations for the Chaveroo-San Andres Pool is hereby approved for the locations described in Exhibit "A" attached hereto and made a part hereof.
- (2) The proration units described in Exhibit "A" shall be dedicated to the subject wells as shown.
- (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

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Director

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HASELHOFF CORPORATION MORGAN FEDERAL TRACT 4 LEASE UNORTHODOX LOCATIONS

WELL LOCATIONS	PRORATION	UNITS I	DEDICATI	<u>ED</u>
1310' FSL and 1310' FWL, Sec. 13, T7S, R33E, NMPM, Roosevelt County, New Mexico	SW/4 SW/4	(Unit I	M) Sec.	13
1310' FSL and 2630' FWL, Sec. 13, T7S, R33E, NMPM, Roosevelt County, New Mexico	SE/4 SW/4	(Unit 1	N) Sec.	13
1310' FSL and 1330' FEL, Sec. 13, T7S, R33E, NMPM, Roosevelt County, New Mexico	SW/4 SE/4	(Unit	O) Sec.	13

EXHIBIT "A"

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