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. 8219 Order No. R-8122

APPLICATION OF DINERO OPERATING COMPANY FOR HARDSHIP GAS WELL CLASSIFICATION, EDDY 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 10th day of January, 1986, 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, Dinero Operating Company, seeks a determination that its Little Squaw Com Well No. 1, located in Unit F of Section 27, Township 22 South, Range 28 East, NMPM, Dublin Ranch-Morrow Gas Pool, Eddy County, New Mexico, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- (3) This case was consolidated with Cases Nos. 8218, 8220, and 8221 for purposes of testimony.
- (4) The evidence presented in this case was not sufficient to permit a determination that waste would occur if said well would be shut-in.
- (5) The application for hardship gas well determination should be denied.

IT IS THEREFORE ORDERED THAT:

(1) The application of Dinero Operating Company for designation of its Little Squaw Com Well No. 1, located in Unit

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F of Section 27, Township 22 South, Range 28 East, Eddy County, New Mexico, as a hardship gas well is hereby <u>denied</u>.

(2) 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

R. L. STAMETS,

Director

SEAL