Centered June 29, 1971

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 4551 Order No. R-4160

APPLICATION OF ROGER C. HANKS FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:30 a.m. on June 16, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>29th</u> day of June, 1971, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Roger C. Hanks, seeks, as an exception to the gas well location requirements of the Commission Rules and Regulations, approval for an unorthodox gas well location in an undesignated Pennsylvanian gas pool for his Preston-Federal Well No. 1, located 1900 feet from the South line and 850 feet from the West line of Section 35, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, the S/2 of said Section 35 to be dedicated to the well.

(3) That the subject well was projected as an oil well at a standard location but was productive of gas.

(4) That the entire S/2 of said Section 35 can be efficiently and economically drained and developed by the subject well.

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(5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the subject undesignated Pennsylvanian gas 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 an unorthodox gas well location is hereby approved for the Roger C. Hanks Preston-Federal Well No. 1 in an undesignated Pennsylvanian gas pool at a point 1900 feet from the South line and 850 feet from the West line of Section 35, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, as an exception to Rule 104 of the Commission Rules and Regulations.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING. Chairman

ARMIJO J Member TEX

A. L. PORTER, Jr., Member & Secretary

SEAL

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