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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. 7125 Order No. R-5399-A

APPLICATION OF WESTERN OIL PRODUCERS INC. FOR THE AMENDMENT OF ORDER NO. R-5399, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 14, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>10th</u> day of February, 1981, 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, Western Oil Producers Inc., seeks the amendment of Order No. R-5399 to include the entire Pennsylvanian formation under the unorthodox gas well location order rather than only the Atoka formation as previously ordered.

(3) That said Order No. R-5399 approved an unorthodox gas well location on a 320-acre gas spacing and proration unit consisting of the W/2 of Section 28, Township 16 South, Range 33 East, NMPM, for production from the Atoka formation.

(4) That the applicant has completed a well at the approved non-standard location on said unit.

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(5) That the applicant now seeks said amendment of Order No. R-5399 in order to permit it to complete its well in other productive zones in the Pennsylvanian formation.

(6) That no offset operator objected to the proposed amendment to said order.

(7) That approval of the application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the first paragraph of Order (1) of Division Order No. R-5399 entered March 15, 1977, is hereby amended in its entirety to read as follows:

"(1) That an unorthodox gas well location is hereby approved for the Western Oil Producers, Inc. Amoco State Well No. 1, for the Pennsylvanian formation at a point 660 feet from the South line and 660 feet from the West line of Section 28, Township 16 South, Range 33 East, NMPM, Lea County, New Mexico."

(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 ON CONSERVATION DIVISION JOE D. ŔAMEY, Director

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