

Entered June 8, 1977
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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. 5934
Order No. R-5447

APPLICATION OF HNG OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 1977, 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, HNG Oil Company, seeks approval
of an unorthodox gas well location for its El Paso Federal 29
Well No. 1 to be located 2427 feet from the North line and
904 feet from the West line of Section 29, Township 24 South,
Range 27 East, NMPM, to test the Morrow formation, Eddy County,
New Mexico.
- (3) That the W/2 of said Section 29 is to be dedicated
to the well.
- (4) That said unorthodox location resulted from an error
in surveying.
- (5) That no offset operator objected to the proposed
unorthodox location.
- (6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable

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share of the gas in the subject 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 for the Morrow formation is hereby approved for the HNG Oil Company El Paso Federal 29 Well No. 1 to be located at a point 2427 feet from the North line and 904 feet from the West line of Section 29, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico.

(2) That the W/2 of said Section 29 shall be dedicated to the above-described well.

(3) 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



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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