Entered January 1, 1100

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. 6719 Order No. R-5521-B

APPLICATION OF SAM H. SNODDY FOR AN AMENDMENT TO ORDER NO. R-5521, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, 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 in this case, Sam H. Snoddy, received authority under Division Order No. R-5521 to directionally drill his Federal Well No. 2 from a surface location 660 feet from the South line and 760 feet from the East line of Section 25, Township 20 South, Range 32 East, NMPM, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico, to a bottom hole location within 200 feet of a point 1320 feet from the South line and 1320 feet from the West line of said Section 25, and to dedicate the SW/4 of Section 25 to the well as a 160-acre non-standard gas proration unit.

(3) That Division Order No. R-5521-A amended said Order No. R-5521 to provide that the aforesaid directionally drilled well would be dedicated to a 320-acre non-standard gas proration unit comprising the SW/4 of Section 25 and the NW/4 of Section 36, Township 20 South, Range 32 East, NMPM. -2-Case No. 6719 Order No. R-5521-B

(4) That the applicant now seeks the further amendment of Division Order No. R-5521 to permit the subject well to be bottomed within 400 feet of a point 1320 feet from the South and West lines of the aforesaid Section 25.

(5) That such amendment will not violate correlative rights nor cause waste and should be approved.

IT IS THEREFORE ORDERED:

(1) That the third paragraph of Order No. (1) of Division Order No. R-5521 is hereby amended to read in its entirety as follows:

"Federal Well No. 2, from a surface location 660 feet from the South line and 760 feet from the East line of said Section 25 to a bottom hole location within 400 feet of a point 1320 feet from the South and West lines with the SW/4 of said Section 25 and the NW/4 of Section 36, Township 20 South, Range 32 East, a 320-acre non-standard gas proration unit hereby approved, being dedicated thereto."

(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 OIL CONSERVATION-DIVISION

JOE D. RAMEY

Director

SEAL

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