

Entered April 17, 1978
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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. 6193
Order No. R-5708

APPLICATION OF ZIA ENERGY, INC., FOR
AN UNORTHODOX GAS WELL LOCATION AND
SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 5, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of April, 1978, 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, Zia Energy, Inc., seeks approval of an unorthodox gas well location for its Elliott Federal Well No. 1 located 2310 feet from the South line and 330 feet from the East line of Section 26, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That said well was originally drilled as an oil well at a standard location but has been recompleted as a Eumont gas well.

(4) That no offset operator objected to the proposed unorthodox location.

(5) That the applicant further requests that the N/2 SE/4 and W/2 NE/4 of said Section 26 be simultaneously dedicated to the aforesaid well and to Well No. 2 in Unit J.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable 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.

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IT IS THEREFORE ORDERED:

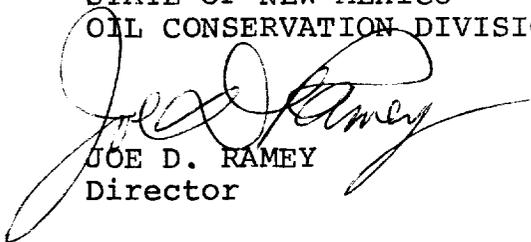
(1) That an unorthodox gas well location is hereby approved for the Zia Energy, Inc., Elliott Federal Well No. 1 located at a point 2310 feet from the South line and 330 feet from the East line of Section 26, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(2) That the N/2 SE/4 and W/2 NE/4 of said Section 26 shall be simultaneously dedicated to the aforesaid well and to Well No. 2 in Unit J.

(3) 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

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