

Entered May 12, 1978



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. 6221
Order No. R-5728

APPLICATION OF SUN OIL COMPANY FOR
AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 3, 1978,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of May, 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, Sun Oil Company, seeks approval of
an unorthodox gas well location for its Teas Federal Well No. 1
to be located 1980 feet from the North line and 1980 feet from
the West line of Section 24, Township 20 South, Range 33 East,
NMPM, to test the Pennsylvanian formation, Teas-Pennsylvanian
Gas Pool, Lea County, New Mexico.

(3) That the N/2 of said Section 24 is to be dedicated to
the well.

(4) That a well at said unorthodox location will better
enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unor-
thodox location.

(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

-2-
Case No. 6221
Order No. R-5728

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:

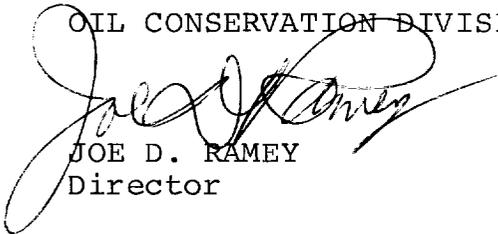
(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for the Sun Oil Company Teas Federal Well No. 1 to be drilled at a point 1980 feet from the North line and 1980 feet from the West line of Section 24, Township 20 South, Range 33 East, NMPM, Teas-Pennsylvanian Gas Pool, Lea County, New Mexico.

(2) That the N/2 of said Section 24 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 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

S E A L

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