

Entered August 1, 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. 6275
Order No. R-5774

APPLICATION OF DELTA DRILLING
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of August, 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, Delta Drilling Company, seeks approval of an unorthodox gas well location for its Donaldson "A" Com. Well No. 1 drilled at a point 1930 feet from the North line and 2303 feet from the West line of Section 23, Township 23 South, Range 28 East, NMPM, and completed in the Pennsylvanian formation, Eddy County, New Mexico.

(3) That the W/2 of said Section 23 is to be dedicated to the well.

(4) That said unorthodox location was necessitated as a result of said well being drilled as a relief well in an attempt to control a blowout.

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

-2-

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Order No. R-5774

(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 formation, 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:

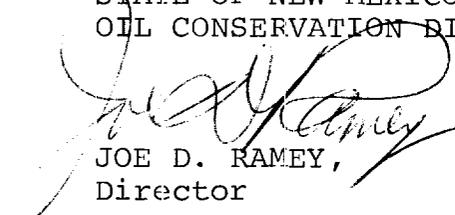
(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for the Delta Drilling Company Donaldson "A" Com. Well No. 1 located at a point 1930 feet from the North line and 2303 feet from the West line of Section 23, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That the W/2 of said Section 23 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

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