Entered April 9, 1929

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. 6451 Order No. R-5969

APPLICATION OF BURLESON & HUFF FOR APPROVAL OF INFILL DRILLING AND AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>9th</u> day of April, 1979, 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, Burleson & Huff, seeks a finding that the drilling of its proposed Coll A Well No. 2, at an unorthodox location 1980 feet from the North line and 330 feet from the East line of Section 29, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to the existing proration unit comprising the NE/4 of said Section 29, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing unit well.

(3) That the standard spacing unit for the Jalmat Gas Pool is 640 acres.

(4) That the applicant further seeks a waiver of existing well spacing requirements for the Jalmat Gas Pool to permit the aforesaid well to be drilled at the proposed location.

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(5) That the existing unit well, applicant's Coll A Well No. 1, located in Unit G of Section 29, is a very poor producer and has been such since its completion in December, 1976.

(6) That it is believed that there are substantial reserves of recoverable gas underlying the NE/4 of Section 29, and that these reserves cannot be economically recovered by the existing unit well, but that they might be recovered by applicant's proposed well.

(7) That approval of the infill drilling of applicant's proposed Coll A Well No. 2 at the proposed unorthodox location is in the interest of conservation, will prevent waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Burleson & Huff, is hereby authorized an exception to the well spacing requirements to drill an infill well, its Coll A Well No. 2 at a point 1980 feet from the North line and 330 feet from the East line of Section 29, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, the NE/4 of said Section 29 to be dedicated to the well.

(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

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JOE D. ŘÁMEY Director

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