

Entered October 12, 1979

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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. 6673
Order No. R-6141

APPLICATION OF CONOCO INC. FOR A
NON-STANDARD PRORATION UNIT, UNORTHODOX
WELL LOCATIONS, 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 September 19, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of October, 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, Conoco Inc., seeks approval of a 440-acre non-standard gas proration unit comprising the SW/4 and S/2 NW/4 of Section 17 and the N/2 NE/4, SE/4 NE/4, and N/2 SE/4 of Section 18, all in Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to the following wells at unorthodox locations: Meyer A-1 Wells Nos. 11 in Unit K of Section 17 and 6 and 14 in Units B and J of Section 18.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable

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share of the gas in the Eumont Gas 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.

(5) That Division Order No. R-4481, which approved a 200-acre non-standard unit in the aforesaid Section 18, and Division Order NSP-281, which approved a 240-acre non-standard unit in the aforesaid Section 17, should be rescinded.

IT IS THEREFORE ORDERED:

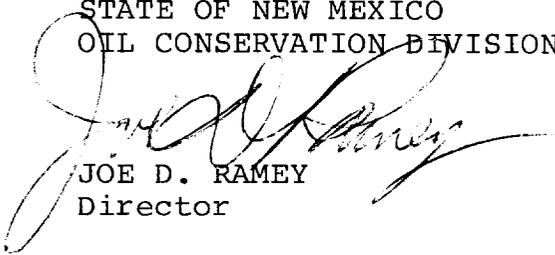
(1) That a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 and S/2 NW/4 of Section 17 and the N/2 NE/4 SE/4 NE/4, and N/2 SE/4 of Section 18, all in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the following Conoco Inc. wells at unorthodox locations: Meyer A-1 Wells Nos. 11 in Unit K of Section 17 and 6 and 14 in Units B and J of said Section 18.

(2) That Division Orders Nos. R-4481 and NSP-281 are hereby rescinded.

(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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