

Entered June 5, 1980
JLR

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. 6878
Order No. R-6357

APPLICATION OF STEVENS OIL COMPANY
FOR A NON-STANDARD GAS PRORATION
UNIT AND UNORTHODOX LOCATION, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of June, 1980, 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, Stevens Oil Company, seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 SW/4 and S/2 NW/4 of Section 25, Township 8 South, Range 28 East, NMPM, to be dedicated to its O'Brien "F" Well No. 4 to be located at an unorthodox location 1650 feet from the South line and 2310 feet from the West line of said Section 25.
- (3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Twin Lakes-San Andres Associated Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

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(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Twin Lakes-San Andres Associated 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.

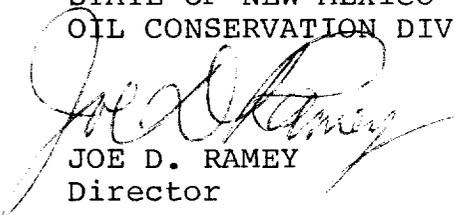
IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Twin Lakes-San Andres Associated Pool comprising the N/2 SW/4 and S/2 NW/4 of Section 25, Township 8 South, Range 28 East, NMPM, Chaves County, New Mexico, is hereby established and dedicated to the Stevens Oil Company O'Brien "F" Well No. 4 at an unorthodox location, hereby approved, 1650 feet from the South line and 2310 feet from the West line of said Section 25.

(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


JOE D. RAMEY
Director

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