

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. 6894
Order No. R-6359

APPLICATION OF SUN OIL COMPANY
FOR 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 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, Sun Oil Company, seeks approval
of an unorthodox well location for its Jennings-Federal "B"
Well No. 1 to be drilled 2440 feet from the South line and
2290 feet from the West line of Section 15, Township 19 South,
Range 32 East, NMPM, to test the Yates formation, Lusk Field,
Lea County, New Mexico.

(3) That the NE/4 SW/4 of said Section 15 is to be dedi-
cated to the well.

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

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

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(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 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:

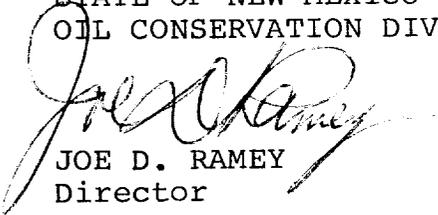
(1) That an unorthodox well location for the Yates formation is hereby approved for the Sun Oil Company Jennings-Federal "B" Well No. 1 to be drilled at a point 2440 feet from the South line and 2290 feet from the West line of Section 15, Township 19 South, Range 32 East, NMPM, Lusk Field, Lea County, New Mexico.

(2) That the NE/4 SW/4 of said Section 15 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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