

Entered November 6, 1980
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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. 7064
Order No. R-6511

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN UNORTHODOX WELL
LOCATION 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 October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of November, 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, El Paso Natural Gas Company, seeks approval of an unorthodox gas well location for its Gregory Fed. A Well No. 2 located in the center of Unit L of Section 33, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the applicant further seeks to simultaneously dedicate a previously approved 440-acre proration unit comprising the S/2, S/2 NW/4 and NW/4 NW/4 of said Section 33 to the above-described well and to its Gregory Fed. Well No. 1 located in Unit J of said Section 33.
- (4) That said Gregory Fed. A Well No. 2 was formerly an oil well at a standard location in the Langlie Mattix Oil Pool but is now a Jalmat gas well at an unorthodox location in said pool.

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

(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:

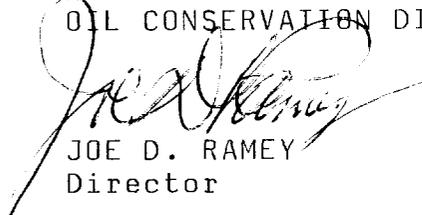
(1) That El Paso Natural Gas Company is hereby authorized to produce its Gregory Fed. A Well No. 2 at an unorthodox location in the center of Unit L of Section 33, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the S/2, S/2 NW/4, and NW/4 NW/4 of said Section 33 shall be simultaneously dedicated to the above-described well and to applicant's Gregory Fed. Well No. 1 located in Unit J of said Section 33.

(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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