Entered November 18, 1181

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. 7381 Order No. R-6828

APPLICATION OF H. L. BROWN, JR. FOR AN UNCRTHODOX GAS WELL LOCATION, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 21, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>18th</u> day of November, 198], 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, H. L. Brown, Jr., seeks approval of an unorthodox gas well location 330 feet from the South line and 2310 feet from the East line of Section 34, Township 7 South, Range 37 East, NMPM, to test the Wolfcamp formation, Eluitt-Wolfcamp Gas Pool, Roosevelt County, New Mexico.

(3) That the E/2 of said Section 34 is to be dedicated to the well.

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

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

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

-2-Case No. 7381 Order No. R-6828

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 the application of H. L. Brown, Jr. for an unorthodox gas well location for the Wolfcamp formation is hereby approved for a well to be located at a point 330 feet from the South line and 2310 feet from the East line of Section 34, Township 7 South, Range 37 East, NMPM, Bluitt-Wolfcamp Gas Pool, Roosevelt County, New Mexico.

(2) That the E/2 of said Section 34 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.

DOME at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OID CONSERVATION - RIVISION

JOE D. RAMEY, Director

SEAL,