Entered april 23, 1982

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7394 DE NOVO Order No. R-6836-A

APPLICATION OF SUPRON ENERGY CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 2, 1982, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>23rd</u> day of April, 1982, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Supron Energy Corporation, seeks approval of an unorthodox gas well location 95 feet from the north line and 1790 feet from the west line of Section 13, Township 22 South, Range 34 East, NMPM, to test the Pennsylvanian formation, McKittrick Hills Field, Eddy County, New Mexico.

(3) That the N/2 of said Section 13 would be dedicated to the well.

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(4) That the NW/4 of said Section 13 is also the subject of a competing application wherein Uriah Exploration Incorporate seeks an order pooling all mineral interests in the Cisco, Canyo and Morrow formations underlying the W/2 of said section and the drilling of a well at a standard location thereon.

(5) That the matter came on for hearing at 9 a.m. on October 21,1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets and, pursuant to this hearing, Order No. R-68 was issued on November 18, 1981, which denied Supron's applicatiand granted the application of Uriah.

(6) That on November 24, 1981, application for Hearing $\underline{\text{De}}$ Novo was made by Supron Energy Corporation and the matter was set for hearing before the Commission.

(7) That the matter came on for hearing <u>de novo</u> on February 2, 1982.

(8) That the evidence adduced at said hearing indicates that Division Order No. R-6836 entered November 18, 1981, should be affirmed.

IT IS THEREFORE ORDERED:

(1) That Division Order No. R-6836, entered November 18, 1981, is hereby affirmed.

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(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member ARNOLD, Member EMERY RAMEY, Member & Secretary JOE D.

SEAL