

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. 8712
Order No. R-8083

APPLICATION OF KIMBELL OIL COMPANY
OF TEXAS FOR HARDSHIP GAS WELL
CLASSIFICATION, RIO ARRIBA COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 6, 1985, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 22nd day of November, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Kimbell Oil Company of Texas, seeks a determination that its Salazar Well No. 4-E, located 1630 feet from the North line and 1460 feet from the West line of Section 34, Township 25 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- (3) The subject well is currently overproduced and shut-in as per Rule 15(A) of Division Order R-1670(C).
- (4) The evidence presented by the applicant was insufficient or inconclusive to show that formation damage, waste, or other harm has or would occur if the well were not granted a hardship classification.
- (5) The applicant's request to grant the Salazar Well No. 4-F a hardship gas well classification should therefore be denied.

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IT IS THEREFORE ORDERED THAT:

(1) The application of Kimbell Oil Company of Texas for a hardship gas well classification for its Salazar Well No. 4-E, located 1630 feet from the North line and 1460 feet from the West line of Section 34, Township 25 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, is hereby denied.

(2) 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



R. L. STAMETS,
Director

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