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CASE 7963

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:

Stogner
JAP
JRR

CASE NO. 7963
Order No. *R-7371*

APPLICATION OF SUN EXPLORATION
AND PRODUCTION COMPANY FOR AN
UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 28,
and on ~~and on~~ October 12, 1983,
1983, at Santa Fe, New Mexico, before Examiner Michael E.
Stogner.

October
~~September~~
NOW, on this _____ day of ~~October~~, 1983, 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 Exploration and Production Company, seeks approval of an unorthodox ~~oil~~ oil well location *to be drilled* ¹²⁶⁰ ~~1260~~ feet from the North ^{1310 feet from the} and West ^{line} lines of Section 10, Township 23 South, Range 36 East, NMPM, to test the Abc formation, ~~Pool~~ Pool, Lea County, New Mexico.

(3) That the NW/4 NW/4 of said Section 10 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the oil 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 share of the oil in the affected ^{formation,} ~~poole(s)~~ 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 Sun Exploration and Production Company for an unorthodox oil well location for the Ab formation is hereby approved for a well to be located at a point ¹²⁶⁰~~1310~~ feet from the North ^{line} and West ^{1310 feet from the} lines of Section 10, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That the NW/4 NW/4 of said Section 10 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,