STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7888
Order No. R-7302-A

APPLICATION OF CABANA OIL CORPORATION
FOR AN AMENDMENT OF DIVISION ORDER
NO. R-7220, LEA COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-7302, dated June 2, 1983, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED:

(1) That Finding No. (2) on page 1 of Order No. R-7302 be and the same is hereby corrected to read in its entirety as follows:

"(2) That the applicant, Cabana Oil Corporation, seeks the amendment of Division Order No. R-7220 which authorized a 66.87-acre non-standard Abo proration unit comprising the SE/4 SW/4 and Lot 4 of Section 32, Township 17 South, Range 39 East, and an unorthodox location 1000 feet from the South line and 1080 feet from the East line of said Section 32."

(2) That the corrections set forth in this order be entered nunc pro tunc as of June 2, 1983.

DONE at Santa Fe, New Mexico, on this_____day of June, 1983.

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7888
Order No. R-7302

APPLICATION OF CABANA OIL CORPORATION
FOR AN AMENDMENT OF DIVISION ORDER
NO. R-7220, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 25, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this ___2nd___ day of June, 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, Cabana Oil Corporation, seeks the amendment of Division Order No. R-7220 which authorized a 66.87-acre non-standard Abo proration unit comprising the SE/4 SW/4 and Lot 4 of Section 32, Township 17 South, Range 38 East, and an unorthodox location 1000 feet from the South line and 1080 feet from the East line of said Section 32.

(3) That the applicant now seeks approval of the above described unorthodox location and non-standard proration unit also in the Yeso formation.

(4) That the entire non-standard proration unit may reasonably be presumed productive of oil from the Yeso formation and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

(5) That no parties appeared and opposed the application.

(6)   That approval of the subject application will afford
the applicant the opportunity to produce his just and equitable
share of the oil in the Yeso formation underlying the spacing
unit, 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, will otherwise
prevent waste and protect correlative rights, and should be
approved.

IT IS THEREFORE ORDERED:

(1)   That Orders No. (1) and No. (2) of Division Order No.
R-7220 are hereby amended to read in their entirety as follows:
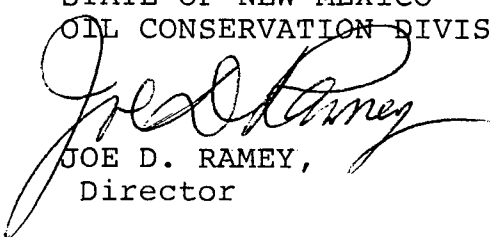
"(1)   That the application of Cabana Oil
Corporation for an unorthodox oil well location for the
Abo and Yeso formations is hereby approved for a well
drilled at a point 1000 feet from the South line and
1080 feet from the East line of Section 32, Township 17
South, Range 39 East, NMPM, Lea County, New Mexico.

(2)   That a 66.87-acre non-standard oil spacing
and proration unit consisting of the SE/4 SW/4 and Lot 4
of said Section 32 is hereby approved for dedication to
the well at said unorthodox location in the Abo and Yeso
formations."

(2)   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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