



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

TONEY ANAYA
 GOVERNOR

January 20, 1986

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Mr. Joel Carson
 Moses R. Carson
 Attorney at Law
 Post Office Drawer 239
 Artesia, New Mexico

Re: CASE NO. 3511
 ORDER NO. R-1112

Applicant:

Hondo Drilling Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
 Director

RLS/fd

Copy of order also sent to:

Hobbs OCD X
 Artesia OCD X
 Aztec OCD _____

Other John Nance

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. 8611
Order No. R-8112

APPLICATION OF HONDC DRILLING
COMPANY FOR FIVE HARDSHIP GAS WELL
CLASSIFICATIONS, EDDY COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9:00 a.m. on July 2, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 20th day of January, 1986, 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, Hondo Drilling, seeks a determination that each of the following described wells located in Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico, are hardship gas wells that should be granted priority access to pipeline takes in order to avoid waste:

Alscott Federal Well No. 2
660' FSL - 1980' FEL (Unit O)
Section 30

Alscott Federal Well No. 3
660' FSL - 1980' FWL (Unit C)
Section 31

Trigg Jennings Com Well No. 1
660' FSL - 1980' FWL (Unit N)
Section 28

Wright Federal Com Well No. 1
660' FSL - 1980' FWL (Unit N)
Section 29

Wright Federal Com Well No. 2
1980' FNL - 1980' FEL (Unit G)
Section 29

(3) The wells are completed in the North Turkey Track-Morrow Gas Pool.

(4) The evidence presented at the hearing was insufficient to make a determination that waste would result if said wells should be shut-in.

(5) The application should be denied.

IT IS THEREFORE ORDERED THAT:

(1) The application for designation of the five following described Hondo Oil and Gas Company Wells as hardship gas wells is hereby denied:

Alscott Federal Well No. 2
660' FSL - 1980' FEL (Unit O)
Section 30

Alscott Federal Well No. 3
660' FSL - 1980' FWL (Unit O)
Section 31

Trigg Jennings Com Well No. 1
660' FSL - 1980' FWL (Unit N)
Section 28

Wright Federal Com Well No. 1
660' FSL - 1980' FWL (Unit N)
Section 29

Wright Federal Com Well No. 2
1980' FNL - 1980' FEL (Unit G)
Section 29

All in Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

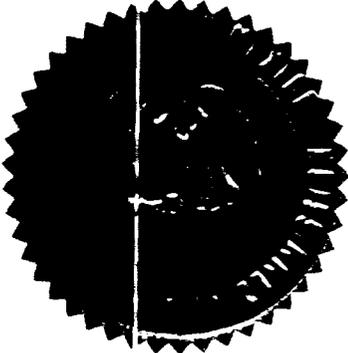
(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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Case No. 8611

Order No. R-8112

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. STAMETS
Director