

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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FEB 25 1980

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

O. C. D.  
ARTESIA, OFFICE

CASE NO. 6805  
Order No. R-6271

APPLICATION OF HONDO OIL AND GAS  
COMPANY FOR AN UNORTHODOX GAS WELL  
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 13, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of February, 1980, 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, Hondo Oil and Gas Company, seeks approval of an unorthodox gas well location for its Federal 10 Well No. 1 to be drilled 1550 feet from the North line and 660 feet from the West line of Section 10, Township 18 South, Range 28 East, NMPM, to test the Wolfcamp-Pennsylvanian formation, Eddy County, New Mexico.
- (3) That the W/2 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 gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.