

OIL CONSERVATION DIVISION

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

CASE NO. 6623
Order No. R-6098

APPLICATION OF PENROC OIL
CORPORATION FOR APPROVAL OF INFILL
DRILLING AND SIMULTANEOUS DEDICATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 8, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1979, 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, Penroc Oil Corporation, seeks a
waiver of existing well spacing requirements and a finding that
the recompletion in the Winchester-Morrow Gas Pool of its Dero
"A" Federal Com Well No. 1 located in Unit N of Section 35, Town-
ship 19 South, Range 28 East, is necessary to effectively and
efficiently drain that portion of the proration unit which
cannot be so drained by the existing well.

(3) That the applicant further seeks to simultaneously
dedicate an existing 320-acre spacing and proration unit con-
sisting of the S/2 of said Section 35 to said Dero A Federal Com
Well No. 1 and to its Dero Federal Com Well No. 1 located in
Unit P of said Section 35, Winchester-Morrow Gas Pool.

(4) That provided the applicant renames and renumbers said
well in a logical and orderly manner, said simultaneous dedica-
tion should be approved.

(5) That the applicant's request for dismissal of that part of this case seeking findings that the recomplection of said Dero A Federal Com Well No. 1 is necessary to effectively and efficiently drain the proration unit should be granted.

IT IS THEREFORE ORDERED:

(1) That the applicant, Penroc Oil Corporation, is hereby authorized to simultaneously dedicate its Dero A Federal Com Well No. 1 located in Unit N and its Dero Federal Com Well No. 1 located in Unit P, both in Section 35, Township 19 South, Range 28 East, to a standard 320-acre gas spacing unit consisting of the S/2 of said Section 35, Winchester-Morrow Gas Pool, Eddy County, New Mexico.

PROVIDED HOWEVER, that prior to such simultaneous dedication the applicant shall rename and renumber said wells in a logical and orderly manner as may be approved by the supervisor of the Division's district office in Artesia.

(2) That the portion of the subject application seeking a finding that the recomplection of said Dero A Federal Com Well No. 1 is necessary to drain the proration unit is hereby dismissed.

(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
Director

S E A L

Ed/