STATE OF NEW MEX 'O ENERGY AND MINERALS DEF. ITMENT OIL CONSERVATION DIVISION

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

> CASE NO. 7685 Order No. R-7068

> > 5 .

APPLICATION OF CIMARRON ENERGY CORPORATION 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 September 15, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>17th</u> day of September, 1982, 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, Cimarron Energy Corporation, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line of Section 34, Township 22 South, Range 28 East, NMPM, to test the Pennsylvanian formation, Eddy County, New Mexico.

(3) That the S/2 of said Section 34 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.