STATE OF NEW MEXICO 'ERGY AND MINERALS DEPART' IT OIL CONSERVATION DIVISION RECEIVED

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

FEB 1 8 1981

O. C. D. ARTESIA, OFFICE

CASE NO. 7127 Order No. R-6399-A

APPLICATION OF ELLWADE CORPORATION FOR THE AMENDMENT OF ORDER NO. R-6399, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 14, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>lOth</u> day of February, 1981, 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, Ellwade Corporation, seeks the amendment of Order No. R-6399 to include the Pennsylvanian formation under the non-standard proration unit order rather than only the Wolfcamp formation as previously ordered.

(3) That said Order No. R-6399 established a 129.52acre non-standard gas spacing and proration unit consisting of the W/2 of partial Section 33, Township 26 South, Range 30 East, NMPM, for drilling to and production from the Wolfcamp formation.

(4) That the applicant now seeks said amendment of Order No. R-6399 in order to permit it to complete its well in productive zones which may be encountered both in the Wolfcamp and the Pennsylvanian formations.

(5) That no offset operator appeared and objected to the proposed amendment to said order.

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(6) Thet approval of the application will prevent waste and protect correlative rights.

IL IS THEREFORE ORDERED:

(1) That the first paragraph of Order (1) of Division
Order No. R-6399 entered July 22, 1980, is hereby amended in
its entirety to read as follows:

"(1) That a 129.52-acre non-standard gas proration unit for the Wolfcamp and Pennsylvanian formations in the Ross Draw Field comprising the W/2 of partial Section 35, Township 26 South, Range 30 established and dedicated to its Ross Draw Well well is to be located in Unit C of said Section 33."

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem researy.

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

Director JOE D. RAMEY In OIF CONSERVENTION DIVISION STATE OF NEW MEXICO

JAJS

/JP