FNERGY 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. 7398 Order No. R-6816

APPLICATION OF EL PASO NATURAL GAS CONPANY 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 November 4, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>18th</u> day of November, 1981. the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the promises.

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, El Paso Natural Gas Company, seeks approval of an unorthodox gas well location 660 feet from the South line and 660 feet from the West line of Section 23, Township 26 South, Range 30 East, NMPM, to test the Wolfcamp and Pennsylvanian formations, Ross Draw Area, Eddy County, New Mexico.

(3) That the S/2 of said Section 23 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 protation unit.

(5) That no offset operator objected to the proposed unorthodox location.