

Na CASE 5649: HARRINGTON TRANS. INC. FOR
AN UNORTHODOX GAS WELL LOCATION, EDDY co.
COUNTY, NEW MEXICO

Deborah Pomeroy Pool

CASE NO.

5649

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 17, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Harrington Transportation) CASE
Inc. for an unorthodox gas well loca-) 5649
tion, Eddy County, New Mexico.)
)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Clarence Hinkle, Esq.
HINKLE, BONDURANT, COX & EATON
Attorneys at Law
Hinkle Building
Roswell, New Mexico

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1 MR. NUTTER: We will call Case 5649.

2 MR. CARR: Case 5649, application of Harrington
3 Transportation, Inc. for an unorthodox gas well location,
4 Eddy County, New Mexico.

5 MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox
6 and Eaton appearing on behalf of Harrington Transportation
7 Company. We have one witness and four exhibits.

8 (THEREUPON, the witness was duly sworn.)

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10 RALPH JOHNSON

11 called as a witness, having been first duly sworn, was
12 examined and testified as follows:

13
14 DIRECT EXAMINATION

15 BY MR. HINKLE:

16 Q State your name and your residence.

17 A. My name is Ralph Johnson and I live in Midland,
18 Texas.

19 Q Are you a consulting geologist?

20 A. Yes, I am.

21 Q Have you been employed by the applicant in this
22 case?

23 A. Yes, I have.

24 Q Have you previously testified before the Commission?

25 A. Yes, I have.

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1 Q Are your qualifications as a petroleum geologist a
 2 matter of record with the Commission?

3 A Yes.

4 Q Have you made a study of the area that is involved
 5 in this application?

6 A Yes, I have.

7 MR. HINKLE: Are his qualifications sufficient?

8 MR. NUTTER: Yes, sir, they are.

9 Q (Mr. Hinkle continuing.) Are you familiar with the
 10 application of Harrington Transportation Company in this case?

11 A Yes.

12 Q What is the applicant seeking to accomplish?

13 A He seeks approval for an unorthodox location in
 14 Section 13, 18 South, 26 East there, nineteen eighty from the
 15 north and sixteen fifty from the west line, the west half of
 16 the section dedicated to the Morrow test.

17 Q Have you prepared or has there been prepared under
 18 your direction certain exhibits for introduction in this case?

19 A Yes, Exhibits One through Four.

20 Q Refer to Exhibit One and explain what this is and
 21 what it shows?

22 Q This shows the land and lease situation, the offset
 23 lease operators, owners and so forth there and the location of
 24 the well, with the requested well location and the outline
 25 of the portion of acres to be dedicated to the well.

1 Q It shows the ownership of all acreage?

2 A Yes.

3 Q Within the proposed unit and the surrounding area?

4 A Yes.

5 Q Now, refer to Exhibit Two and explain what this
6 shows?

7 A This is a map on the top of the Morrow formation
8 showing your rather constant general regional dip to the
9 southeast there, it merely shows the structural situation
10 in regard to the top of the Morrow there with the requested
11 well location with a red dot and the acreage to be dedicated
12 outlined there.

13 Q Is this structural map based on the subsurface
14 information of the wells that have been drilled there?

15 A Yes, there is datum of each well that has been
16 used there. Every Morrow well in that particular area has
17 been used. That is those that had a log available there.

18 Q Now, refer to Exhibit Three and explain that?

19 A Exhibit Number Three is the Morrow sand net
20 porosity five percent or better and again this has been taken
21 from a study of all of the logs in the area and the contours
22 showing the general trend of the porosity in that particular
23 area, again with the requested well location shown with a
24 red dot in the west half of the section in which it is to be
25 dedicated there.

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- 1 Q What is the ownership of Section 13?
- 2 A Harrington Transportation has already drilled in the
- 3 east half and they have that acreage and will have the west
- 4 half by drilling that.
- 5 Q Has the well in the east half been completed in the
- 6 Morrow formation?
- 7 A Yes.
- 8 Q And potentialled for what?
- 9 A Eighteen point four million a day was calculated
- 10 absolute open flow. It has not yet been connected, however.
- 11 Q What do the special pool rules for this area
- 12 provide?
- 13 A They provide to be drilled in either the southeast or
- 14 the northwest at a location, I believe there, you can't be
- 15 any closer to the outer boundaries than nine, ninety, or to
- 16 the quarter-quarter line can't be any closer -- I don't have
- 17 that right in front of me, but --
- 18 Q I know that the reason for this unorthodox location
- 19 is that it is a little closer to the south portion of the
- 20 boundary line of the northwest quarter?
- 21 A Yes. We would have gone for an orthodox, however,
- 22 there are two shallow wells right there at that location.
- 23 Q Which would prevent you from going a little bit
- 24 north?
- 25 A Yes.

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1 Q Is there any particular reason why you desire the
2 well to be located at the place where you have indicated?

3 A Well, according to the way that we see the porosity
4 trend here, we certainly would not want to go any farther to
5 the west because of the dry hole there in the east part of
6 Section 14 and to go beyond the orthodox location to the
7 north there, we are going to approach then the Mobile Brainard
8 Well in Section 11 in the southeast quarter there which has
9 been producing quite sometime. However, it is a low rate
10 producer, therefore, we feel that an optimum location is the one
11 we are requesting here.

12 Q Does Harrington have or have the right to earn
13 all of the Morrow rights on the west half?

14 A Yes, he has the right to earn them by drilling
15 there.

16 Q Were copies of the application furnished to all
17 offset owners?

18 A Yes.

19 Q Have you had any objections or protests?

20 A I have had no objections, no.

21 Q Have you heard from any at all?

22 A Only Amoco which said they had no objection.

23 Q And they wrote a letter to the Commission?

24 A Yes.

25 Q On the date of February 25th saying that they did

1 object?

2 A. That's right.

3 Q. Do you have any further comments with respect to
4 Exhibit Three?

5 A. Not unless somebody has questions, no.

6 Q. Refer to Exhibit Four and explain that?

7 A. Exhibit Number Four, the geological cross section
8 with the index map there shows the outline of the section.
9 The red coloring there showing the porosity zones and also a
10 line showing the top of the Morrow formation with a penciled
11 dotted line showing approximately where the requested well
12 location would fall with respect to the other wells on the
13 section there.

14 Q. If you went farther to the west you would be
15 approaching a dry hole.

16 A. That is right. The old Standard Texas No. 2 Everetts,
17 even though being up dip appears to be quite tight, they
18 were not able to make a well there and we feel like to move
19 it any farther west would certainly jeopardize our position
20 there.

21 Q. Is this unusual as far as the Morrow formation is
22 concerned, to be structured a little lower or higher.

23 A. I don't think so. The Morrow is somewhat erratic
24 in the way the porosity develops and so forth and it is not
25 unusual for a high well to be tight as far as porosity is

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1 concerned.

2 Q Do you have any further comments with respect to
 3 Exhibit Four?

4 A No.

5 Q In your opinion will the approval of this application
 6 be in the interest of conservation, prevention of waste and
 7 the protection of correlative rights?

8 A Yes.

9 MR. HINKLE: We would like to offer Exhibits One
 10 through Four.

11 MR. NUTTER: Harrington Exhibits One through Four
 12 will be admitted into evidence.

13 (THEREUPON, Harrington Exhibits One
 14 through Four were admitted into evidence.)

15 MR. HINKLE: That's all we have.

16

17 CROSS EXAMINATION

18 BY MR. NUTTER:

19 Q Mr. Johnson, the location of the well as proposed
 20 is nineteen, eighty from the north and sixteen, fifty from the
 21 west?

22 A Yes.

23 Q Now, the pool rules do require wells to be in the
 24 northwest quarter of the southeast quarter so it is in the
 25 proper quarter section, is that right?

1 A. Yes.

2 Q. Now, in what respect is it off pattern or is it
3 non-standard.

4 A. My thinking on that, that is to be an orthodox
5 location we had to be nine, ninety from the south boundary of
6 that quarter section, is that right?

7 Q. I think so.

8 A. So we are ending up six, sixty, so that is why
9 we are here.

10 Q. So it is just a matter of being off inside the
11 proration unit itself and not crowding any outer boundary or
12 any other operator?

13 A. Yes, that's right.

14 MR. NUTTER: Are there any further questions of
15 Mr. Johnson? He may be excused.

16 (THEREUPON, the witness was excused.)

17 MR. NUTTER: Do you have anything further, Mr.
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19 MR. HINKLE: That's all.

20 MR. NUTTER: Does anyone have anything they wish
21 to offer in Case 5649? We will take the case under advise-
22 ment.

23

24

25

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5249
heard by me on 3/17, 1976
Okun, Examiner
New Mexico Oil Conservation Commission

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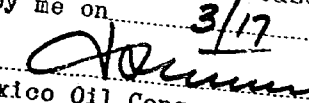
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5649
heard by me on 3/17, 1976
, Examiner
New Mexico Oil Conservation Commission

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5649
Order No. R-5185

APPLICATION OF HARRINGTON TRANSPORTATION,
INC. FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 17, 1976,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 23rd day of March, 1976, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Harrington Transportation, Inc.,
seeks approval of an unorthodox gas well location 1980 feet
from the North line and 1650 feet from the West line of
Section 13, Township 18 South, Range 26 East, NMPM, to test
the Pennsylvanian formation, Atoka-Pennsylvanian Gas Pool,
Eddy County, New Mexico.

(3) That the W/2 of said Section 13 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.

(6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the subject pool, will prevent the
economic loss caused by the drilling of unnecessary wells,
avoid the augmentation of risk arising from the drilling of
an excessive number of wells, and will otherwise prevent waste
and protect correlative rights.

-2-

Case No. 5649
Order No. R-5185

IT IS THEREFORE ORDERED:

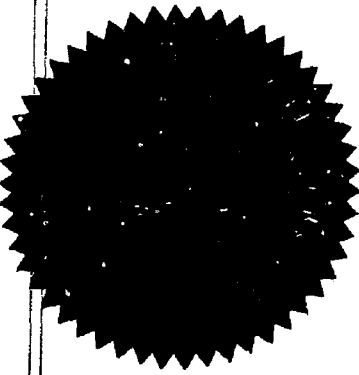
(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 1980 feet from the North line and 1650 feet from the West line of Section 13, Township 18 South, Range 26 East, NMPM, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.

(2) That the W/2 of said Section 13 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

EXHIBIT "B"

Atlantic Richfield Company
Box 1610
Midland, Texas 79701
Attention: Mr. M. James Walker

Felmont Oil Corporation
Box 2266
Midland, Texas 79701
Attention: Mr. T. Verne Dwyer

Mobil Oil Corporation
Box 633
Midland, Texas 79701
Attention: Production Mgr.

Depco, Inc.
704 Gihls Tower West
Midland, Texas 79701

Kewanee Oil Company
Box 2239
Tulsa, Oklahoma 74101
Attention: Land Dept.

Amoco Production Company
Box 3092
Houston, Texas 77001
Attention: Production Mgr.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF HARRINGTON TRANSPORTATION, INC. FOR AN UNORTHODOX GAS WELL LOCATION EDDY COUNTY, NEW MEXICO. APPLICANT SEEKS AN EXCEPTION TO THE ATOKA-PENNSYLVANIAN GAS POOL RULES FOR THE DRILLING OF A GAS WELL PROJECTED TO TEST THE PENNSYLVANIAN FORMATION TO BE KNOWN AS THE LLANO, INC. NO. 1 LEAVITT TO BE LOCATED 1980 FEET FROM THE NORTH LINE AND 1650 FEET FROM THE WEST LINE OF SECTION 13, TOWNSHIP 18 SOUTH, RANGE 26 EAST AND THE DEDICATION TO SAID WELL OF THE W $\frac{1}{2}$ SAID SECTION 13.

Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Comes Harrington Transportaion, Inc., acting by and through the undersigned attorneys, and hereby makes application for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks an exception to the Atoka-Pennsylvanian Gas Pool rules for the drilling of a gas well projected to test the Pennsylvanian formation, to be known as the Llano, Inc. No. 1 Leavitt to be located 1980 feet from the north line and 1650 feet from the west line of Section 13, Township 18 South, Range 26 East and the dedication to said well of the W $\frac{1}{2}$ said Section 13, and in support thereof respectfully shows:

1. There is attached hereto as Exhibit "A" a plat showing the proposed well location in the W $\frac{1}{2}$ Section 13, Township 18 South, Range 26 East, Eddy County, to be dedicated thereto. The plat also shows the ownership of all leasehold interests within an area of 2 miles from the well and drilling unit. The test well will be projected to test all formations down to and including the Morrow formation of Pennsylvanian age.

2. Special pool rules adopted for the Atoka-Pennsylvanian Pool provide that each well shall be located in either the NW $\frac{1}{4}$ or the SE $\frac{1}{4}$ of the section and shall not be located nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter quarter section line.

Case 5642

CLARENCE E. HINKLE
W. E. BONDURANT, JR. (1914-1973)
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

JAMES H. BOZARTH
RONALD G. HARRIS
JAMES H. ISBELL
DOUGLAS L. LUNSFORD

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-8510

MR. ISBELL LICENSED
IN TEXAS ONLY

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4891

February 19, 1976

RECEIVED
FEB 22 1976
OIL CONSERVATION COMMISSION
SANTA FE

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We enclose herewith in triplicate application of Harrington Transportation, Inc. for an unorthodox gas well location in the NW $\frac{1}{4}$ Section 13, Township 18 South, Range 26 East. We have previously discussed this matter with Dan Nutter and he advised that the same would be placed on the docket for the March 17 examiner's hearing.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By Clarence E. Hinkle
CH

CEH:cs
Enc.

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STATE OF NEW MEXICO

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3. Because of the available geological information, applicant believes that the proposed location will stand a better chance of obtaining production with a higher potential than if located at a standard location provided by said pool rules.

4. There is attached hereto as Exhibit "B" copy of the names and addresses of all the owners of offset oil and gas leases to whom copies of this application are being mailed.

5. Applicant believes that the approval of this application will be in the interest of conservation, the prevention of waste and the protection of correlative rights.

6. Applicant requests that this matter be included on the examiner's docket for March 17, 1976.

Respectfully submitted,

HARRINGTON TRANSPORTATION, INC.

By 

HINKLE, BONDURANT, COX & EATON
P.O. Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

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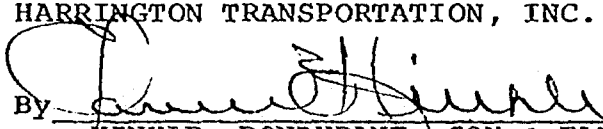

HINKLE, BONDURANT, COX & EATON
P.O. Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

EXHIBIT "B"

Atlantic Richfield Company
Box 1610
Midland, Texas 79701
Attention: Mr. M. James Walker

Felmont Oil Corporation
Box 2266
Midland, Texas 79701
Attention: Mr. T. Verne Dwyer

Mobil Oil Corporation
Box 633
Midland, Texas 79701
Attention: Production Mgr.

Depco, Inc.
704 Gihls Tower West
Midland, Texas 79701

Kewanee Oil Company
Box 2239
Tulsa, Oklahoma 74101
Attention: Land Dept.

Amoco Production Company
Box 3092
Houston, Texas 77001
Attention: Production Mgr.

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STATE OF NEW MEXICO

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Respectfully submitted,

HARRINGTON TRANSPORTATION, INC.

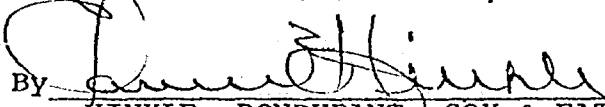
BY 
HINKLE, BONDURANT, COX & EATON
P.O. Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

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Kewanee Oil Company
Box 2239
Tulsa, Oklahoma 74101
Attention: Land Dept.

Amoco Production Company
Box 3092
Houston, Texas 77001
Attention: Production Mgr.

Pockets Nos. 11-76 and 12-76 are tentatively set for hearing on March 31, 1976 and April 14, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 17, 1976

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Winter, Examiner, or Richard L. Skeets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for April, 1976, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5636: (Continued & Readvertised)

Application of Julian Ard for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled in the center of the SW/4 SE/4 of Section 32, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico, in exception to the provisions of Rule 4, Order No. R-3350.

CASE 5641: (Continued from March 3, 1976, Examiner Hearing)

Application of John Yuronka for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection to the Queen Formation through the open-hole interval from approximately 3800 to 3875 feet in his State JO "T" Well No. 1 located in Unit B of Section 16, Township 23 South, Range 36 East, Langlie-Mattix Pool, Lea County, New Mexico.

CASE 5645: Application of Amoco Production Company for suspension of Rules 14A and 15A of the gas proration rules, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks suspension for a period of one year from April 1, 1976, of those provisions of Rule 14A and 15A of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of underproduction and the shutting-in of overproduced wells, as applied to the Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

CASE 5646: Application of Southern Union Gas Company for suspension of Rules 14A and 15A of the gas proration rules, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks suspension for a period of one year from April 1, 1976, of those provisions of Rules 14A and 15A of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of underproduction and the shutting-in of overproduced wells, as applied to the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico.

CASE 5647: Application of Griffin & Burnett, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Ragged Unit Area comprising 3,147 acres, more or less, of State and Federal lands in Township 26 South, Range 35 East, Lea County, New Mexico.

CASE 5648: Application of Depeco, Inc. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its DMY State Well No. 1, located in Unit F of Section 23, Township 19 South, Range 28 East, Eddy County, New Mexico, to produce gas from the Wolfcamp and Morrow formations.

CASE 5649: Application of Harrington Transportation, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Llano, Inc. Leavitt Well No. 1, to be drilled 1980 feet from the North line and 1650 feet from the West line of Section 13, Township 18 South, Range 26 East, Eddy County, New Mexico, the W/2 of said Section 13 to be dedicated to the well.

CASE 5650: Application of Robinson Resource Development Company, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the formations of Pennsylvanian age or older underlying the N/2 of Section 18, Township 21 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a previously approved unorthodox location in Unit H of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the well and a charge for the risk involved in drilling said well.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5649

Order No. R- 5185

APPLICATION OF HARRINGTON TRANSPORTATION, INC.
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 17, 19 76,
at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this day of March, 19 76, the Commission,
a quorum being present, 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
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Harrington Transportation, Inc., seeks
approval of an unorthodox gas well location 1980 feet from the North
line and 1650 feet from the West line of Section 13, Township
18 South, Range 26 East, NMPM, to test the
Pennsylvanian formation, Atoka Pennsylvanian Gas Pool,
Eddy County, New Mexico.

(3) That the W/2 of said Section 13 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.

-2-

Case No. 5649
Order No. R-

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 1980 feet from the North line and 1650 feet from the West line of Section 13, Township 18 South, Range 26 East NMPM, Alake-Pennsylvanian Gas Pool, Eddy County, New Mexico.

(2) That the W/2 of said Section 13 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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