

Entered March 26, 1982  
JAR

STATE OF NEW MEXICO  
ENERGY 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. 7502  
Order No. R-6926

APPLICATION OF SUN OIL COMPANY FOR  
AN UNORTHODOX GAS WELL LOCATION AND  
NON-STANDARD GAS PRORATION UNIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 16, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of March, 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, Sun Oil Company, seeks approval of an unorthodox gas well location 760 feet from the South line and 960 feet from the East line of Section 6, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the applicant also seeks approval for a 160-acre non-standard proration unit comprising the SE/4 of said Section 6.
- (4) That the proposed well location is orthodox for the non-standard proration unit and that portion of the subject application should be dismissed.
- (5) 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

-2-

Case No. 7502

Order No. R-6926

number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

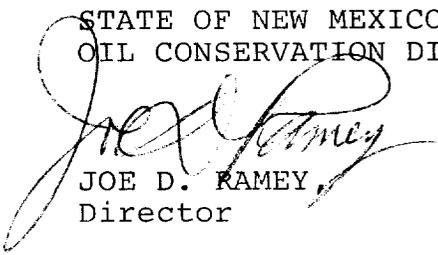
(1) That Sun Oil Company is hereby granted a 160-acre non-standard gas proration unit comprising the SE/4 of Section 6, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon.

(2) That that portion of the subject application seeking approval of an unorthodox gas well location 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