



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

November 1, 1938

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Alamogordo, New Mexico

Re: CASE NO. 8609
ORDER NO. R-8609

Applicant:

Hondo Drilling Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD _____
Artesia OCD _____
Aztec OCD _____

Other John Nance

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. 8609
Order No. R-8069

APPLICATION OF HONDO DRILLING
COMPANY FOR HARDSHIP GAS WELL
CLASSIFICATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 2, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 31st day of October, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The evidence in Cases 8609, 8610, and 8611 was combined for purposes of testimony.

(3) The applicant, Hondo Drilling Company, seeks a determination that its Union Texas State Com Well No. 1, located 660 feet from the South line and 1980 feet from the West line of Section 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

(4) The evidence presented by the applicant was insufficient or inconclusive in showing that waste had occurred or would occur if the well were not granted a hardship classification.

(5) The applicant's request to grant the Union Texas State Com Well No. 1 a hardship gas well classification should be denied.

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Case No. 8609

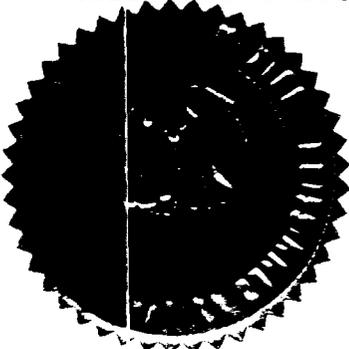
Order No. R-8069

IT IS THEREFORE ORDERED THAT:

(1) The application of Hondo Drilling Company for a hardship gas well classification for its Union Texas State Com Well No. 1 located in Unit N of Section 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby denied.

(2) 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. STAMETS
Director

fd/