

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. 8842
Order No. R-8203

APPLICATION OF EXXON CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 19, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 11th day of April, 1986, 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) At the time of hearing, this case was consolidated with Division Case No. 8858 for the purpose of taking testimony.

(3) The applicant, Exxon Corporation, seeks approval of an unorthodox gas well location for its existing Mary Federal Well No. 1 located 1924 feet from the North line and 651 feet from the East line (Unit H) of Section 11, Township 23 South, Range 25 East, NMPM, Sheep Draw-Strawn Gas Pool, Eddy County, New Mexico.

(4) The applicant further seeks the redesignation of the 320-acre gas proration unit for the well from the E/2 to the N/2 of said Section 11.

(5) The Mary Federal lease covers all of said Section 11 and there is no diversity of ownership involved in the redesignation.

(6) The Mary Federal Well No. 1 was recompleted to the Strawn formation in March, 1985 with the E/2 of said Section 11 dedicated to the well.

(7) The applicant has recently completed its Mary Federal Well No. 5 in the Strawn formation in the SW/4 of said Section 11.

(8) The unorthodox location for the Mary Federal Well No. 1 is necessitated by the change in proration unit for the well.

(9) No offset operator objected to the unorthodox location or the redesignation of proration unit.

(10) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool and will otherwise prevent waste and protect correlative rights.

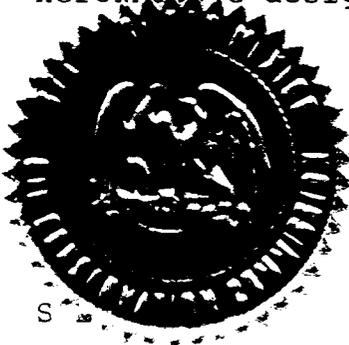
IT IS THEREFORE ORDERED THAT:

(1) The application of Exxon Corporation for an unorthodox gas well location is hereby approved for their existing Mary Federal Well No. 1 located 1924 feet from the North line and 651 feet from the East line (Unit H) of Section 11, Township 23 South, Range 25 East, NMPM, Sheep Draw-Strawn Gas Pool, Eddy County, New Mexico.

(2) The N/2 of said Section 11 shall be dedicated to the above-described well.

(3) 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

R. L. Stamets
R. L. STAMETS,
Director