

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

RECEIVED

NOV 23 1981

O. C. D.  
ARTESIA, OFFICE

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7404  
Order No. R-6818

APPLICATION OF TXO PRODUCTION  
CORPORATION FOR AN UNORTHODOX  
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 18th 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 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, TXO Production Corporation, seeks approval of an unorthodox infill gas well location 2000 feet from the North line and 660 feet from the East line of Section 18, Township 21 South, Range 26 East, NMPM, to test the Morrow formation, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico.

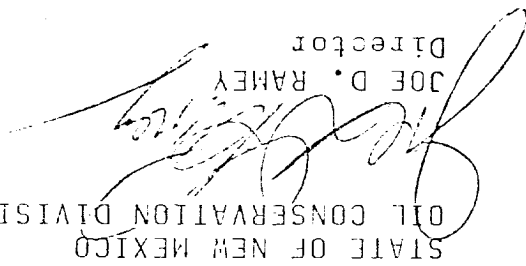
(3) That all of said Section 18 is to be simultaneously dedicated to said well and to applicant's Catclaw Draw State Well No. 1 located in Unit M of said Section 18.

(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.

S E A L

STATE OF NEW MEXICO  
 OIL CONSERVATION DIVISION  
 JOE D. RAMEY  
 Director



- DONE at Santa Fe, New Mexico, on the day and year herein-  
 above designated.
- (3) That jurisdiction of this cause is retained for the  
 entry of such further orders as the Division may deem necessary.
- (2) That all of said Section 18 shall be dedicated to the  
 above-described well simultaneously with applicant's Catalaw  
 Draw State Well No. 1 located in Unit M of said Section 18.
- (1) That an unorthodox infill gas well location for the  
 Morrow formation is hereby approved for a well to be located  
 at a point 2000 feet from the North line and 660 feet from the  
 East line of Section 18, Township 21 South, Range 26 East, NMPM,  
 Catalaw Draw-Morrow Gas Pool, Eddy County, New Mexico.

IT IS THEREFORE ORDERED:

- (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.