

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

RECEIVED

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

APR 13 1981

O. C. D.  
ASST. OFFICE  
CASE NO. 7196  
Order No. R-6638

APPLICATION OF DINERO OPERATING  
COMPANY FOR AN UNORTHODOX GAS  
WELL LOCATION, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

Now, on this 7th day of April, 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, Dinero Operating Company, seeks approval of an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line of Section 15, Township 22 South, Range 28 East, NMPM, to test the Pennsylvanian formation, Eddy County, New Mexico.

(3) That the N/2 of said Section 15 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.

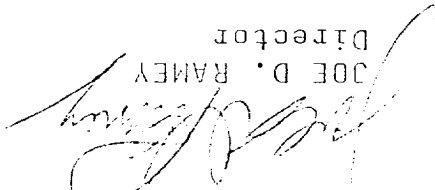
(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive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

IT IS THEREFORE ORDERED:

(1) That the application of Dinero Operating Company for 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 660 feet from the West line of Section 15, Township 22 South, Range 28 East, N1PM, Eddy County, New Mexico.

(2) That the N/2 of said Section 15 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 Division may deem necessary. DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

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

S E A L

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