

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

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O. C. D.  
ARTESIA, OFFICE

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

CASE NO. 9806  
ORDER NO. R-9051

APPLICATION OF PACIFIC ENTERPRISES  
OIL COMPANY FOR AN UNORTHODOX GAS WELL  
LOCATION, CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 1, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 20th day of November, 1989, 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 applicant, Pacific Enterprises Oil Company, seeks approval of an unorthodox gas well location 660 feet from the North line and 1400 feet from the East line (Unit B) of Section 2, Township 10 South, Range 26 East, NMPM, to test the Undesignated Foor Ranch-PrePermian Gas Pool, Chaves County, New Mexico.
- (3) Lots 1, 2, 3 and 4 and the S/2 N/2 (N/2 equivalent) of said Section 2 is to be dedicated to the well forming a 320.52-acre gas spacing and proration unit for said pool.
- (4) A well at the proposed unorthodox location will better enable the applicant to produce the gas underlying the proration unit.
- (5) The evidence showed a fault to limit the productive area on the west side of the tract such that only the east 60% is indicated to be productive.