

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

O. G. C.
ARTESIA, OFFICE

CASE NO. 6731
Order No. R-6196

APPLICATION OF PETROLEUM DEVELOPMENT
CORPORATION FOR A NON-STANDARD GAS
PRORATION UNIT, AND AN UNORTHODOX
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

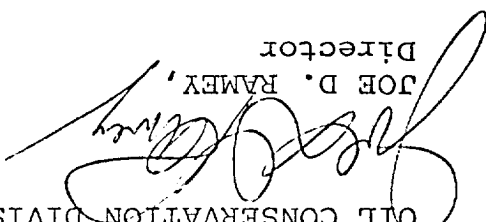
NOW, on this 21st day of November, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

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, Petroleum Development Corporation, seeks approval of a 320-acre non-standard gas proration unit comprising the N/2 of Section 13, Township 19 South, Range 31 East, NMPM, to be dedicated to a well to be re-entered at an unorthodox location 660 feet from the North line and 660 feet from the West line of said Section 13.
- (3) That said unorthodox location results from the re-entry and deepening of a dry hole previously drilled to the Strawn formation. }
- (4) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Lusk-Morrow Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

dr/

S E A L

STATE OF NEW MEXICO
 OIL CONSERVATION DIVISION

 JOE D. RAMBY,
 Director

above designated.

DONE at Santa Fe, New Mexico, on the day and year herein-

necessary.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem

(1) That the application of Petroleum Development Corporation for a 320-acre non-standard gas proration unit in the Lusk-Morrow gas Pool comprising the N/2 of Section 13, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico, to be dedicated to a well to be re-entered at an unorthodox location 660 feet from the North line and 660 feet from the West line of said Section 13 is hereby approved.

IT IS THEREFORE ORDERED:

(5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Lusk-Morrow Gas 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.