STATE OF NEW MEXICO ENERGY AND MINERALS DE:
 OIL CONSERVATION DIVISION

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

> CASE NO. 8999 Order No. R-8377

APPLICATION OF V. H. WESTBROOK FOR HARDSHIP GAS WELL CLASSIFICATION, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 5, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogrer.

NOW, on this <u>31st</u> day of December, 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) The applicant, V. H. Westbrook, seeks a determination that its Kinahan Federal Well No. 1, located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 20, Township 15 South, Range 30 East, NMPM, West Cedar Point-Wolfcamp Gas Pool, Chaves County, New Mexico, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

(3) Said well was completed in the Wolfcamp formation in June, 1985, produced relatively small volumes of water until June, 1986, and thereafter experienced substantial increases in water production.

(4) When the well is shut in, extensive swabbing is required to return it to production.

(5) The applicant has installed pumping equipment on this well to remove the fluids.