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CASE NO. 4564

Order No. R-4166

(5) That approval of the subject application 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard oil proration unit in the Hobbs-Drinkard Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 33, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to Penroc Oil Corporation's Conoco-State Well No. 1 located 1980 feet from the North line and 2130 feet from the East line of said Section 33.

(2) That this order shall become effective the date the Hobbs District Office of the Commission is notified that the above-described well has a casinghead gas connection.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

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OIL CONSERVATION COMM.
HOBBS, N. M.