

(12) Approval of the subject application will afford the applicant and the owners in the S/2 of said Section 26 the opportunity to produce its just and equitable share of gas in the Morrow formation, 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 THAT:

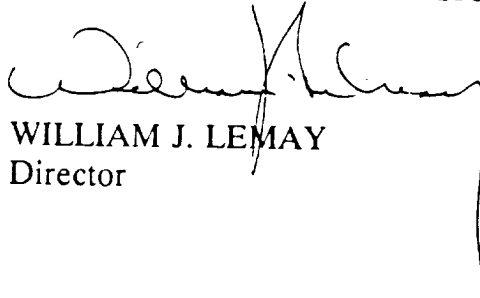
(1) The applicant, Oryx Energy Company, is hereby authorized to drill its Ojo Chiso Federal Well No 3 at an unorthodox gas well location 990 feet from the South and West lines (Unit M) of Section 26, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, to a sufficient depth in order to test the Undesignated Ojo Chiso-Morrow Gas Pool.

(2) All other provisions of Division Order No. R-9185, dated May 25, 1990 shall remain in full force and effect until further notice.

(3) 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 hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

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