

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

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

Case No. 10766
Order No. R-10009

APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC. FOR AN
UNORTHODOX GAS WELL LOCATION AND A NON-STANDARD GAS PRORATION
UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 23, 1993, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of November, 1993, 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, David H. Arrington Oil & Gas, Inc. ("Arrington"), seeks approval for an unorthodox gas well location for its proposed McQuatters Well No. 1 to be drilled 1980 feet from the North line and 1830 feet from the West line (Unit F) of Section 11, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, the S/2 NE/4, SE/4 NW/4, and NW/4 SE/4 of said Section 11 (resulting in a "T" shaped unit) to be dedicated to said well forming a non-standard 160 acre gas spacing and proration unit for said pool.

(3) The Eumont Gas Pool is governed under the Division's *General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Eumont Oil and Gas Pool*, as promulgated by Division Order No. R-8170, as amended, which require wells to be located no closer than 660 feet from the outer boundary of a gas spacing and proration unit with a maximum acreage of 160 acres. A standard gas proration and spacing unit for said pool is 640 acres.

McQuatters