

**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. 11105
Order No. R-10233**

**APPLICATION OF UNION OIL COMPANY OF
CALIFORNIA D/B/A UNOCAL, FOR AN
INFILL GAS WELL AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 29, 1994, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 17th day of October, 1994, 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, Union Oil Company of California d/b/a Unocal, seeks an exception to the Special Rules and Regulations for the Red Hills-Wolfcamp Gas Pool as promulgated by Division Order No. R-3073, by continuously and concurrently producing gas from both its Red Hills Unit Well No. 2, located at a previously approved unorthodox gas well location 990 feet from the North line and 1650 feet from the East line (Unit B) of Section 5, and its Red Hills Unit Well No. 3 located at a standard gas well location 1980 feet from the South line and 2180 feet from the West line (Unit K) of Section 5, both in Township 26 South, Range 33 East, NMPM, and for the simultaneous dedication of said wells to a standard 640-acre gas spacing and proration unit comprising all of Section 5.