

Casa No.

121

---

Application, Transcript,  
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 121

ORDER NO. 743

THE APPLICATION OF MALCO REFINERIES,  
INC., DALE RESLER d/b/a RESLER OIL  
COMPANY, AND MARTIN YATES, JR. FOR AN  
ORDER OF APPROVAL OF THE DEEPENING OF  
AN UNORTHODOX LOCATION, THE SAME BEING  
LOCATED 1070 FEET FROM THE SOUTH LINE  
AND 1070 FEET FROM THE EAST LINE OF  
SECTION 21, TOWNSHIP 18 SOUTH, RANGE  
28 EAST, N.M.P.M., EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock A.M., February 17, 1948, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this the 10 day of <sup>March</sup> February, 1948, the Commission having before it for consideration the testimony and other evidence adduced at the hearing of said case and the application of petitioners and being fully advised in the premises:

FINDS that the Petitioners should be permitted to deepen an unorthodox location 1070 feet from the South line and 1070 feet from the East line of Section 21, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, as prayed by their petition herein; that said deepening will tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

SECTION 1. That the application of Malco Refineries, Inc., Dale Resler d/b/a Resler Oil Company, and Martin Yates, Jr. for approval of the deepening of an unorthodox location 1070 feet from the South line and 1070 feet from the East line of Section 21, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, to a depth of 2900 feet be and it is hereby granted.

SECTION 2. That this Commission reserves jurisdiction for the purpose of making any further orders or requirements that may appear to be proper in the premises from time to time.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Wm. S. Mabey*  
CHAIRMAN

\_\_\_\_\_  
MEMBER  
*L. R. Apurrier*  
SECRETARY

10.

The Petitioners, hereinafter appearing by their attorney, Donald S. Bush of Artesia, New Mexico, hereby make application for an order approving the location of a nonorthodox location located 1070 feet from the South line and 1070 feet from the East line of Section 21, Township 16 South, Range 2 East, N.M.P.S., Eddy County, New Mexico; said location being closer to the boundary lines of the units involved than is permitted by General rules and regulations, and in support thereof respectfully state as follows:

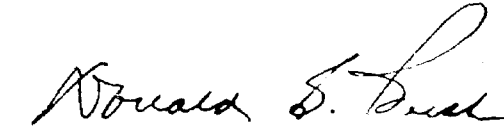
1. This said unperfected location was known as the Flynn, Welch, and Yates State No. 24 well, and was previously completed to a total depth of 2200 feet on the 4th day of October, 1923, prior to the enactment of the Oil and Gas Conservation Laws of the State of New Mexico.

Information necessary to determine the location of the said well and the location of the said lower deposit.

4. That the owner of the said lower well, immediately adjacent to the Northwest of the said well, by this Petition, makes no objections to the requests contained herein, as shown by the Waiver, hereto attached, marked Exhibit "A" and made a part hereof.

In consideration of the foregoing statements, your Petitioners respectfully request that the Commission give notice as required by the rules and regulations of the Commission; that a hearing of this matter be held; that the Petitioners be permitted to offer proof of the facts herein stated, and that the Commission make the following finding and order, to wit:

A. That the Commission execute an order authorizing your Petitioners to deepen the unorthodox location as herein stated.



Donald S. Bush  
Attorney, New Mexico  
Attorney for Petitioners

W. A. C. A.

The undersigned, being a member of the  
40 acre tract in the Northwest to the acreage  
affected by the above Petition, do hereby make our entry  
of a balance claim, and hereby waive any objections to the  
requests made in said Petition, and consent to the orders  
requested therein without further notice to us.

Marion Welch.  
Marion Welch

Exhibit "A"

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF MALCO REFINERIES, INCORPORATED,  
DALE RESLER d/b/a RESLER OIL COMPANY,  
AND MARTIN YATES JR. FOR APPROVAL OF  
THE DEEPENING OF AN UNORTHODOX  
LOCATION.

Case No. 121

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

The Petitioners, herein appearing by their attorney, Donald S. Bush of Artesia, New Mexico, hereby make application for an order approving the deepening of an unorthodox location located 1070 feet from the South line and 1070 feet from the East line of Section 21, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico; said location being closer to the boundary lines of the units involved than is permitted by general rules and regulations, and in support thereof respectfully state as follows:

1. That said unorthodox location was known as the Flynn, Welch, and Yates State No. 24 well, and was previously completed to a total depth of 2200 feet on the 4th day of October, 1925, prior to the enactment of the Oil and Gas Conservation Laws of the State of New Mexico.
2. That the unit on which said well was drilled is a part of that certain oil and gas lease No. 647, title to which, by subsequent assignments, has been lodged in Malco Refineries, Incorporated, Dale Resler d/b/a Resler Oil Company, and Martin Yates Jr., as co-owners.
3. That your Petitioners desire to deepen said unorthodox location to a depth of approximately 2900 feet for the reason that the production of said well has been reduced below the economic limit of production and that by deepening said well, your Petitioners can more economically obtain the geological information necessary to determine the feasibility of drilling said acreage to said lower depth.

4. That the owner of the forty acre unit, immediately adjacent on the Northwest of the unit affected by this Petition, makes no objections to the requests contained herein, as shown by the Waiver, hereto attached, marked Exhibit "A" and made a part hereof.

In consideration of the foregoing statements, your Petitioners respectfully request that the Commission give notice as required by the rules and regulations of the Commission; that a hearing of this matter be held; that the Petitioners be permitted to offer proof of the facts herein stated, and that the Commission make the following finding and order, to wit:

A. That the Commission execute an order authorizing your Petitioners to deepen the unorthodox location as herein stated.

/s/  
Donald S. Bush  
Artesia, New Mexico  
Attorney for Petitioners