

CASE 2947: Application of CHARLES  
B. READ for an unorthodox location  
of his BATES WELL NO. 1.

CASE No.

2047

Application,  
TRANSCRIPTS,  
SMALL Exhibits  
ETC.



J. M. HERVEY 1874-1953  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV  
LEWIS C. COX, JR.  
PAUL W. FAYON, JR.  
CONRAD T. COFFIELD  
HAROLD L. HENSLEY, JR.  
MICHAEL R. WALLER

LAW OFFICES  
HERVEY, DOW & HINKLE

HINKLE BUILDING

ROSWELL, NEW MEXICO

November 21, 1963

2947  
TELEPHONE 622-5510  
AREA CODE 505  
POST OFFICE BOX 10

New Mexico Oil Conservation Commission  
P.O. Box 871  
Santa Fe, New Mexico

Gentlemen:

Charles B. Reed hereby applies for an exception to the provisions of Order R-1846, Special Rules for the South Prairie-Pennsylvanian Pool to permit the drilling of his Charles B. Reed No. 1 Bate well at a location 660 feet from the north line and 330 from the east line of Section 21, Township 8 South, Range 36 East, N.M.P.M., Roosevelt County, New Mexico.

To the best of applicant's knowledge, offset operators are Shell Oil Company, and Coastal States Gas Producing Company.

It will be appreciated if you will set this matter down for hearing on the Examiner Docket of December 4, 1963.

Very truly yours,

HERVEY, DOW & HINKLE

  
Howard C. Bratton

HCB:bb

DOCKET MAILED

11-22-63



CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL = Day Letter  
NL = Night Letter  
LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA092 98K275

1963 NOV 12

PM 2

(58) 0.7

L RWA078 PD=ROSWELL NMEX 12 247P MST=  
NEW MEXICO OIL CONSERVATION COMMISSION=  
SANTA FE NMEX=

DOCKET MAILED

Date

11-22-63

ATTENTION: MR A. L PORTER JR

9 THIS IS TO ADVISE YOU THAT SHELL OIL COMPANY HAS  
NO OBJECTION TO WAIVER OF FIELD RULES IN SOUTH PRAIRIE  
PENNSYLVANIAN FIELD TO PERMIT MR CHARLES B READ TO DRILL  
A BOUGH "C" PENNSYLVANIAN TEST TO BE LOCATED 660' FNL,  
330' FEL, SECTION 21-88-36E, ROOSEVELT COUNTY NEW MEXICO=  
T H DWYER DIVISION PRODUCTION MGR SHELL OIL CO  
PO BOX 1858 ROSWELL NEW MEXICO=

"C" 660' FNL 330' FEL 21-88-36E PATRONS CONCERNING ITS SERVICE

**CLASS OF SERVICE**

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

TELEGRAM (59)

W. F. MARSHALL, PRESIDENT

1201 (1-00)

**SYMBOLS**

DL=Day Letter  
NL=Night Letter  
LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at destination.

TELEA076 SSJ162

1933 NOV 13 PM 1:56

L RWA068 PD=ROSWELL NMEX 13 1256P MST=

Case 2747

PETE PORTER=

NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE NMEX=

ATLANTIC IS LEASE OWNER OF WEST HALF SOUTHWEST QUARTER SECTION 16 88 36E AND DOES NOT OBJECT TO LOCATION OF CHARLES READ NUMBER ONE BATES 660FML 330FEL SECTION

21 88 36E=

THE ATLANTIC REFINING CO ROLAND F CHAMPION=

DOCKET MAILED

Date 11-22-33  
Jh

-16 88 36E 660FML 330FEL 21 88 36E=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

COASTAL STATES GAS PRODUCING COMPANY

NORTH TEXAS DIVISION  
610 CITIZENS NATIONAL BANK BUILDING  
ABILENE, TEXAS

1963 NOV 15 PM 1:28

November 14, 1963

AIR MAIL

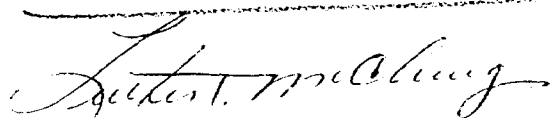
Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

Coastal States Gas Producing Company, lessee of the  
E/2 of the SW/4 of Section 15 and the S/2 of the  
SE/4 of Section 16, Township 8 South, Range 36 East,  
does not protest the proposed location of the C. B.  
Read No. 1 Bates to be located 660' FNL and 330'  
FEL of Section 21, Township 8 South, Range 36 East  
for a Bough "C" test.

Very truly yours,

COASTAL STATES GAS PRODUCING COMPANY



Luther T. McClung  
Division Manager

LTMCC:w1

DOCKET MAILED

Date

1-22-63

gh

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.



CASE 2950 continued from page 1

of Section 30 in the aforesaid township. Applicant further seeks the contraction of the vertical limits of the South Bough-Pennsylvanian Pool to include the Bough "C" zone of the Pennsylvanian formation only.

- CASE 2951: Application of Sunray DX Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Hope Unit Area comprising 3822.96 acres, more or less, of State land in Township 18 South, Range 23 East, Eddy County, New Mexico.
- CASE 2952: Application of Sunray DX Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Hope Unit Area comprising 3778.27 acres, more or less, of State land in Township 18 South, Ranges 21 and 23 East, and Township 19 South, Range 23 East, Eddy County, New Mexico.
- CASE 2953: Application of Curtis R. Inman for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Walt Canyon Unit Area comprising 11,100.63 acres, more or less, of State, Federal and fee lands in Townships 21 and 22 South, Range 24 East, and Township 22 South, Range 25 East, Eddy County, New Mexico.
- CASE 2954: Application of Ambassador Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Langlie Mattix-Penrose Sand Unit Area comprising 3,920 acres, more or less, of State, Federal and Fee lands in Township 22 South, Range 37 East, Lea County, New Mexico.
- CASE 2955: Application of Ambassador Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of the existing Langlie Mattix Waterflood Project in Section 34, Township 22 South, Range 37 East, Lea County, New Mexico, by the conversion to water injection of 5 wells located in Sections 27, 33 and 34 of said township. Applicant further seeks the establishment of special rules governing further expansion and operation of the waterflood project in the Langlie Mattix-Penrose Sand Unit Area, including a provision for capacity allowables for wells in said project.

Note: There will be no EXAMINER HEARING in  
the Second Half of December

DOCKET NO. 35-63

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 4, 1963

9:00 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 2945: Application of Shell Oil Company for the creation of a Devonian Gas Pool and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the creation of a new Devonian gas pool for its Harris-Federal Well No. 1 located in Section 27, Township 23 South, Range 34 East, Lea County, New Mexico, said pool to comprise all of Sections 27, 28, 33 and 34, Township 23 South, Range 34 East, and all of Sections 3 and 4, Township 24 South, Range 34 East. Applicant further seeks the establishment of special pool rules, including a provision for 640-acre spacing units and for fixed well locations.
- CASE 2946: Application of Shell Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State V Well No. 5 located in Unit I of Section 27, Township 17 South, Range 35 East, Lea County, New Mexico, to produce oil from the Vacuum-Yates and Vacuum-Paddock Pools through parallel strings of tubing.
- CASE 2947: Application of Charles B. Read for an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location of his Bates Well No. 1 located 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, South Prairie-Pennsylvanian Pool, Roosevelt County, New Mexico.
- CASE 2948: Application of the Atlantic Refining Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the approval of a cooperative pressure maintenance project for the injection of water into the Gallup (Tocito) formation, Many Rocks-Gallup Oil Pool, San Juan County, New Mexico, by the injection of water through 13 wells located in Sections 6, 7, 8, 17 and 18, Township 31 North, Range 16 West. Applicant further seeks the designation of a project area comprising approximately 1,480 acres in the aforesaid five sections and the adoption of appropriate project rules therefor.
- CASE 2949: Application of Phillips Petroleum Company for an exception to Rule 309-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce up to a maximum of 24 proration units into its Santa Fe Battery No. 14, Santa Fe Lease, Vacuum Abo Reef Pool, Lea County, New Mexico.
- CASE 2950: Application of Amerada Petroleum Corporation for the creation of a new gas pool and for the contraction of the vertical limits of an existing pool. Applicant, in the above-styled cause, seeks the creation of a Morrow-Pennsylvanian Gas Pool, Lea County, New Mexico. Said pool was discovered by applicant's S. E. Anderson "A" Well No. 1 located in Unit P of Section 19, Township 9 South, Range 35 East, and would comprise the SE/4 of Section 19, SW/4 of Section 20, NW/4 of Section 29 and the NE/4

Case. 2247

Heard 12-4-63

Rec. 12-5-63.

1. Grant Chas. Read an exception to the S. Prairie - Penn. Rule ~~in~~ order. R-1846 to allow him to drill at a location 660/N & 330/E lines sec. 21-85-36 E,

2. Pool is a water source & this location being high on the structure well drain only the 80 tract on which the well is located.

W. H. C. B. Read - Bales #1  
Thos. W. R.

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



P. O. BOX 871  
SANTA FE

LAND COMMISSIONER  
E. B. JOHNNY WALKER  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Howard Bratton  
Hervey, Dow & Hinkle  
Attorneys at Law  
Post Office Box 10  
Roswell, New Mexico

Re: Case No. 2947  
Order No. R-2625  
Applicant:

Charles B. Read

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Commission order recently entered in the subject case.

Very truly yours,

*A. L. Porter, Jr.*

A. L. PORTER, JR.  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC       

Astec OCC       

OTHER Mr. Charles Read

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 2947  
Order No. R-2625

APPLICATION OF CHARLES B. READ  
FOR AN UNORTHODOX LOCATION,  
ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 4, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of December, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Charles B. Read, seeks an exception to the Special Rules and Regulations for the South Prairie-Pennsylvanian Pool to drill his Bates Well No. 1 at an unorthodox location 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, NMPM, Roosevelt County, New Mexico.

(3) That due to the structural position of the proposed location and the water drive characteristics of the pool at the proposed location, the subject well will drain only the N/2 NE/4 of Section 21, Township 8 South, Range 36 East.

(4) That approval of the subject application will prevent waste and protect correlative rights, provided the applicant is permitted to dedicate only the N/2 NE/4 of said Section 21 to the subject well.

-2-

CASE No. 2947  
Order No. R-2625

IT IS THEREFORE ORDERED:

(1) That the applicant, Charles B. Read, is hereby granted an exception to the Special Rules and Regulations for the South Prairie-Pennsylvanian Pool and is hereby authorized to drill his Bates Well No. 1 at an unorthodox location 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, NMPM, Roosevelt County, New Mexico; provided, however, that only the N/2 NE/4 of said Section 21 shall be dedicated to the subject well.

(2) 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



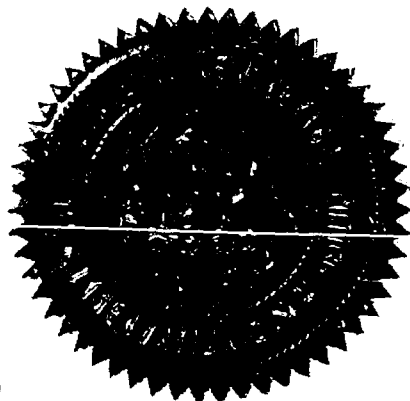
JACK M. CAMPBELL, Chairman



E. S. WALKER, Member



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



esr/

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
December 4, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of Charles B. Read for an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location of his Bates Well No. 1 located 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, South Prairie-Pennsylvanian Pool, Roosevelt County, New Mexico.

Case No. 2947

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1162

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6591



MR. UTZ: Case 2947.

MR. DURRETT: Application of Charles B. Read for an unorthodox location, Roosevelt County, New Mexico.

MR. BRATTON: Howard Bratton on behalf of the Applicant.  
We have one witness.

(Witness sworn.)

(Whereupon, Applicant's Exhibits Nos. 1 and 2 marked for identification.)

CHARLES B. READ

called as a witness, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name and your address and occupation?

A Charles B. Read, Post Office Box 1822, Roswell, New Mexico.

Q Are you the Applicant in this case?

A Yes, sir.

Q Are you an independent oil operator, Mr. Read, and drilling the well in question, and you are the one seeking the exemption in this case?

A I am.

Q You are a practical oil man, have been in the business fifteen years and drilling wells for the last several years?

A That is correct.

DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691





DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

Q Mr. Read, in this application you are seeking an unorthodox location for your Charles B. Read Bates No. 1 Well in the South Prairie-Pennsylvanian Pool, is that correct?

A Yes, sir.

Q And that well is in the Northeast of the Northeast of Section 21?

A That's right.

Q You want to drill at 660 from the North and 330 from the East?

A That's correct.

Q The South Prairie-Pennsylvanian rules provide for 80-acre spacing with the wells to be within 150 feet of the center of a 40, is that correct?

A Yes, sir.

Q In other words, you want to move the well 180 feet to the east of the center of the 40?

A No, that's not correct. It would be 180 feet east of the -- we have a limit of 150 feet.

Q That's right, east of the limit?

A It would be 330 feet east of the center of the 40.

Q And you propose to dedicate the North Half of the Northeast Quarter of Section 21 to the well, is that correct?

A That's right.

Q The location of the well is as shown on your Exhibit No. 1?



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

A Yes, sir.

Q And the whole East Half there shown is just a farmout area; actually we're just concerned with the North Half of the Northeast Quarter, is that correct?

A That's right.

Q Shell Oil Company is the offset operator to the east, is that correct?

A Yes, sir.

Q Atlantic is the offset operator to the northeast?

A Yes.

Q And Coastal to the north?

A Yes.

Q The royalty is common between the East Half of 21 and Section 22, is that correct?

A Yes, sir. The United States is the royalty owner in both tracts.

Q Turn to your Exhibit 2 and explain briefly why you need to move this well 180 feet to the east.

A Our proposal to move the location 180 feet east is to gain structural advantage so that we may adequately drain the 80-acre proration unit which we propose to designate as the North Half of the Northeast of 21. We do not feel that we can adequately drain our 80-acre proration unit by locating the well in accordance with the field rules.

Q Your blue line on the bottom is a line indicating where



DEARNLEY, MEIER, WILKINS and CROWNOVER

Phone 243-6691

General Court Reporting Service

Albuquerque, New Mexico

Suite 1120 Simms Building

the wells are making more than fifty percent water. If that were the case...

A Yes, sir.

Q So as you move to the west you would move down it and you would make more water?

A That's correct.

Q Looking to the east in Section 2, the shaft will not 2 there shows to be making 41 percent water. Is that correct?

A That's right.

Q And your well would be at approximately the same structural position or possibly a little higher, so you would probably make a little less than 41 percent, is that correct?

Q Would make a substantial amount of water even at the present location?

A Yes, sir. We anticipate no water whatsoever until on our completion.

Q As you move further west, of course, you will make more water initially?

A It would not be economical to move further west. We would have too much water to handle and the cost of pumping it would be too high.

Q What's your estimate of the amount of water that would be produced in a water drive reservoir?

A It's hard to say, but I would be guessing that it would be the west of you, which is your own property, and it would be a little higher.

Q Yes, sir. We would not expect any water to be produced in the west of you, which is your own property, and it would be a little higher.

DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

have under farmout agreement at the present time.

Q If you moved west, either the oil to the east of you would be left in the ground or it would have to be drained by wells further east, is that correct?

A It would be, our own well would be drained by the offset operators if we could not drill our proposed location as designated now.

Q Will the granting of this application be in the interest of conservation and the protection of correlative rights?

A Yes, sir.

Q Do you have waivers from all of the offset operators which have been filed with the Commission?

A Yes, sir, we do.

Q Were Exhibits 1 and 2 prepared under your supervision?

A That's correct.

MR. BRATTON: We would offer in evidence Applicant's Exhibits 1 and 2.

MR. UTZ: Without objection Exhibits 1 and 2 will be entered into the record of this case.

(Whereupon, Applicant's Exhibits Nos. 1 and 2 received in evidence.)

MR. BRATTON: We would ask also that waivers from the offset operators be entered, and we have nothing further.

MR. UTZ: We have copies of those in the form of telegrams and letters. They will be accepted as part of the record



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

in this case.

MR. BRATTON: Thank you.

CROSS EXAMINATION

BY MR. UTZ:

Q Who is this farmout from?

A American Petrafina Company.

Q This producing zone is the Bough C?

A Yes, sir.

Q Which pinches out shortly north of your acreage?

A The purple line shown on the exhibit is the porosity pinchout line of the Bough C formation.

Q Since your structure is higher in the Shell acreage than it is in yours, there would be little chance of your draining Shell's?

A That's correct. There would be no way to drain the Shell acreage to the east.

Q As far as Coastal States is concerned, they have already drilled outside of the permeability or porosity pinchout?

A That's right. They have a dry hole. Coastal States, and they have tested the same zone that we propose to test in our well and they found their zone non-commercial because of a porosity pinchout.

Q There probably will not be a well drilled in the South Half of the Southeast Quarter of Section 16?

A I would presume not, no, sir.



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

Q Do you know what the well is in the Southwest of the Southwest, Section 16? Is that completed in the Bough C?

A Yes, sir, it's a Bough C well.

MR. UTZ: Any other questions of the witness? The witness may be excused.

(Witness excused.)

MR. UTZ: Any statements in this case? The case will be taken under advisement. We'll take a ten minute recess.

(Short recess taken.)

\* \* \*

STATE OF NEW MEXICO )  
 ) ss  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill, and ability.

WITNESS my Hand and Seal this 12th day of December, 1963.

*Ada Dearnley*  
NOTARY PUBLIC

My Commission Expires:  
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2947, heard by me on Dec. 4, 1963.  
*Theresa J. [Signature]*, Examiner  
New Mexico Oil Conservation Commission



DRAFT

JMD/esr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

*[Handwritten signature]*  
CASE No. 2947

Order No. R- 2625

APPLICATION OF CHARLES B. READ  
FOR AN UNORTHODOX LOCATION,  
ROOSEVELT COUNTY, NEW MEXICO.

*[Handwritten signature]*  
12-18-63

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 4, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this \_\_\_\_\_ day of December, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Charles B. Read, seeks an exception to the Special Rules and Regulations for the South Prairie-Pennsylvanian Pool to drill his Bates Well No. 1 at an unorthodox location 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, NMPM, Roosevelt County, New Mexico.

(3) That due to the structural position of the proposed location and the water drive characteristics of the pool at the proposed location, the subject well will drain only the <sup>N/2 NE/4</sup> ~~S/2~~ of Section 21, Township 8 South, Range 36 East.

(4) That approval of the subject application will prevent waste and protect correlative rights, provided the applicant is permitted to dedicate only the ~~E/2~~ <sup>N/2 NE/4</sup> of said Section 21 to the subject well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Charles B. Read, is hereby granted an exception to the Special Rules and Regulations for the South Prairie-Pennsylvanian Pool and is hereby authorized to drill his Bates Well No. 1 at an unorthodox location 660 feet from the North line and 330 feet from the East line of Section 21, Township 8 South, Range 36 East, NMPM, Roosevelt County, New Mexico; provided, however, that only the ~~E/2~~ <sup>N/2 NE/4</sup> of said Section 21 shall be dedicated to the subject well.

(2) 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.