

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. 909
Order No. R-648

THE APPLICATION OF TEXAS TRADING
COMPANY, INC., FOR APPROVAL OF THE
DRILLING OF ITS GRIER WELL NO. 5 AS
A "FIVE-SPOT" LOCATION WITHIN THE
BOUNDARIES OF THE SQUARE LAKE OIL
POOL AS AN EXCEPTION TO RULE 104 OF
THE RULES AND REGULATIONS OF THE
COMMISSION; SAID LOCATION TO BE AT A
SITE 1412 FEET FROM THE SOUTH AND WEST
LINES OF SECTION 29, TOWNSHIP 16 SOUTH,
RANGE 31 EAST, NMPM, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13th day of June, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced at said hearing, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That petitioner is the owner of a Federal oil and gas lease covering the SW/4 of Section 29, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, which lease is known as the Texas Trading Company Grier Lease.
- (3) That there are four producing oil wells at standard locations on aforesaid lease, which wells are producing from the Grayburg and/or upper San Andres formations of the Square Lake Oil Pool.
- (4) That the four existing wells on aforesaid lease are not sufficient to recover all the recoverable oil under this tract, and that the drilling of the "five-spot" location as proposed in applicant's petition would be in the interests of conservation, would prevent waste and would enable applicant to recover substantial quantities of oil which would otherwise not be produced.
- (5) That adjacent leasehold interests have not objected to the drilling of such additional location, and will not be adversely affected by the provisions of this order.

IT IS THEREFORE ORDERED:

(1) That the application of Texas Trading Company, Inc., be and the same hereby is approved, and that applicant is hereby granted permission to drill an unorthodox "five-spot" location at a site 1412 feet from the South and West lines of Section 29, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico in the Square Lake Pool.

(2) That applicant shall not receive additional allowable by virtue of the drilling of said "five-spot" location, and that applicant shall produce only that allowable granted the 40-acre unit described as the NE/4 SW/4 of said Section 29 as ordered by the Commission under the provisions of Commission Rule 505.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary



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