

BEFORE THE OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

TO THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO
SANTA FE, NEW MEXICO:

IN THE MATTER OF APPLICATION OF
GRAYBURG OIL COMPANY OF NEW MEXICO
FOR PERMISSION TO PRODUCE WELL NO.
13-B ON ITS KEELEY LEASE IN THE
NE/4 OF SECTION 26, TOWNSHIP 17
SOUTH, RANGE 29 EAST, N.M.P.M., IN
EDDY COUNTY, NEW MEXICO.

Comes now Grayburg Oil Company of New Mexico
and respectfully shows:

1. That Grayburg Oil Company of New Mexico
owns and operates what is known as its Keeley Lease, Las
Cruces Serial No. 028784-93(b) in the Grayburg-Jackson ✓
Pool of Eddy County, New Mexico, which said lease covers,
among other lands, the NE/4 of Section 26, Township 17
South, Range 29 East, N.M.P.M.

2. That there is located in the center of
each 40 acre tract a producing oil well; well No. 1-B be-
ing located in the NW/4 of NE/4; well No. 4-B being locat-
ed in the NE/4 of NE/4; well No. 7-B being located in the
SW/4 of NE/4 and well No. 8-B being located in the SE/4
of NE/4 of Section 26; that each of said wells is produc-
ing from the San Andres formation encountered at an ap-
proximate depth of 2,850 feet.

3. That during the latter part of the year 1946 and the first part of the year 1947 Grayburg Oil Company of New Mexico drilled a wild cat test located in the SE/4 of NE/4 of Section 26, said test being designated as Keeley well No. 13-B and being located 1345 feet from the North line and 1295 feet from the East Line of said Section 26. That said well No. 13-B was drilled to a total depth of 5,076 feet and was unproductive of oil and gas at that depth.

4. That, thereafter, Grayburg Oil Company of New Mexico plugged said well No. 13-B back to a total depth of 3,050 feet and set 7 inch O. D. casing at 2,820 feet, and completed said well as a producing well on August 28, 1947; that said well is now capable of producing 200 barrels of oil, or more, per day from the San Andres formation, which is the horizon from which the other four wells located in the NE/4 of Section 26 are now producing. That Keeley well No. 13-B, while capable of producing this quantity of oil, is now shut in.

5. That Grayburg Oil Company of New Mexico desires to produce its Keeley well No. 13-B in such manner and at such a rate of withdrawal that the total oil produced from wells Nos. 1-B, 4-B, 7-B, 8-B and 13-B each day will equal the total daily allowable as fixed by the Oil Conservation Commission for the four 40 acre units upon which wells Nos. 1-B, 4-B, 7-B and 8-B are located.

6. That the producing of the five wells located in the NE/4 of Section 26, Township 17 South, Range 29 East, N.M.P.M., in this manner is in the interest of oil

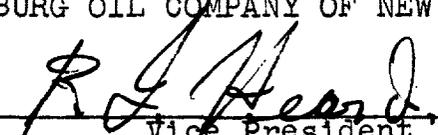
and gas conservation and, as a result thereof, a greater ultimate recovery of oil will be obtained and that said production practice will enable engineering studies to be made with reference to efficient rates of withdrawal and reservoir performance, and will determine future development in this particular area.

7. That in producing these five wells in this manner, the question of drainage from properties of other operators is not involved, for the reason that Grayburg Oil Company of New Mexico owns all the acreage adjoining the 160 acre tract upon which said five wells are located.

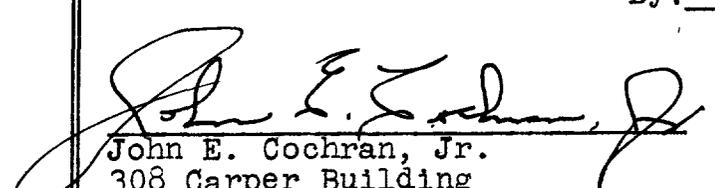
WHEREFORE, Grayburg Oil Company of New Mexico petitions the Oil Conservation Commission of the State of New Mexico, to call a hearing as provided by law and the rules and regulations of the Commission, for the purpose of hearing and entering an order permitting Grayburg Oil Company of New Mexico to produce its Keeley wells Nos. 1-B, 4-B, 7-B, 8-B and 13-B in such manner that the total daily production from said five wells will be equal to the daily allowable as fixed by the Oil Conservation Commission for the four 40 acre units upon which Keeley wells Nos. 1-B, 4-B, 7-B and 8-B are located.

Respectfully submitted

GRAYBURG OIL COMPANY OF NEW MEXICO

By: 

Vice President


John E. Cochran, Jr.
308 Carper Building
Artesia, New Mexico
Attorney for
Grayburg Oil Company of New Mexico

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The Oil Conservation Commission of New Mexico, pursuant to law, hereby gives public notice of the following hearing to be had at a regular meeting of the Commission October 15, 1947, beginning at 10:00 o'clock A.M. on said date at Santa Fe, New Mexico:

STATE OF NEW MEXICO TO:

All named parties in the following case, and notice to the public:

Case 112

In the matter of the application of the Grayburg Oil Company of New Mexico for permission to produce well No. 13-B on its Keely (federal) lease in the NE $\frac{1}{4}$ of Section 26, Township 17 South, Range 29 East, N.M.P.M. in Eddy County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico on September 30, 1947.

OIL CONSERVATION COMMISSION

BY



R. R. SPURRIER, Secretary

LAW OFFICES
JOHN E. COCHRAN, JR.
CARPER BUILDING
ARTESIA, NEW MEXICO

September 29, 1947

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Attention: Mr. George Graham

Gentlemen:

I enclose herewith petition in the matter of application of Grayburg Oil Company of New Mexico for permission to produce well No. 13-B on its Keeley lease in the NE/4 of Section 26, Township 17 South, Range 29 East, N.M.P.M., in Eddy County.

It would be very much appreciated by Grayburg Oil Company of New Mexico if this matter could be heard at the October meeting of the Oil Conservation Commission, which I understand is to be on October 15th.

Very truly yours


John E. Cochran, Jr.

JEC:rm
Encls.