

LAW OFFICES  
COCHRAN & SIEGENTHALER  
CARPER BUILDING  
ARTESIA, NEW MEXICO

JOHN E. COCHRAN, JR.  
WILLIAM M. SIEGENTHALER

April 29, 1948

*Case*  
*141*

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

Attention: Mr. R. R. Spurrier

Gentlemen:

Enclosed herewith is Application, in duplicate, of Kewanee Oil Company for order granting permission to drill two additional unorthodox locations designated as wells 25-B and 26-B on its Pearl Lease described as All of Section 25, Township 17 South, Range 32 East, and Lots 1, 2, 3 and 4 and E/2 W/2 of Section 30, Township 17 South, Range 33 East, N.M.P.M.

At your earliest convenience will you please set a date for hearing this application and publish notice thereof, and advise the undersigned of the date, time and place of hearing on this application.

The land upon which these locations are desired is Federal land and, therefore, a copy of this application is being sent to Mr. Foster Morrell, Supervisor of the United States Geological Survey at Roswell, New Mexico.

Very truly yours

COCHRAN & SIEGENTHALER

*John E. Cochran, Jr.*  
John E. Cochran, Jr.

JEC:rm  
Enc.

cc: Mr. Foster Morrell, Supervisor  
United States Geological Survey  
Roswell, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
KEWANEE OIL COMPANY FOR ORDER GRANT-  
ING PERMISSION TO DRILL TWO UN-  
ORTHODOX LOCATIONS, DESIGNATED AS  
WELLS 25-B AND 26-B, ON ITS PEARL  
LEASE, LOCATED IN THE MALJAMAR FIELD  
OF LEA COUNTY, NEW MEXICO

NO. \_\_\_\_\_

APPLICATION

Kewanee Oil Company, applicant herein, is a corporation organized and existing under and by virtue of the laws of the State of Delaware, and is duly licensed to transact business in the State of New Mexico, and in connection herewith it respectfully shows to the Commission:

1. That applicant is the owner and holder of Federal Oil and Gas Lease Las Cruces Serial Number 058697, insofar as said lease covers the following described land situated in Lea County, State of New Mexico, to-wit:

All of Section 25, Township 17 South, Range 32 East, N.M.P.M.; and Lots 1, 2, 3 and 4 and E/2 W/2 of Section 30, Township 17 South, Range 33 East, N. M.P.M.

2. That there have been drilled twenty wells located upon the land hereinabove described and that, at the present time, eighteen of said wells are producing; that twelve of said producing wells are located in Section 25 and six of said producing wells

are located in Lots 1, 2, 3 and 4 and E/2 W/2 of Section 30; that each of said wells is drilled on a spacing pattern of one well to a legal forty-acre subdivision. That all of said wells are located in what is known as the Maljamar Pool of Lea County, New Mexico, and that all of said producing wells are producing from what is known as the Maljamar pay encountered at an approximate depth of 4,000 feet.

3. That Kewanee Oil Company, upon the basis of geological and engineering information, is advised and is of the opinion and belief that one well located in the center of each forty-acre legal subdivision is not sufficient to obtain all of the recoverable oil under any forty-acre tract. That the drilling of "five spot" wells on said lease at the locations shown on the map attached hereto and by reference made a part hereof, would be in the interest of conservation, prevent waste and enable applicant to obtain a greater ultimate recovery of oil by the drilling of such "five spot" locations.

4. That Kewanee Oil Company has heretofore made application to the Oil Conservation Commission of the State of New Mexico to drill four such "five spot" locations, which application is now pending before the Oil Conservation Commission, and that Kewanee Oil Company desires to drill two additional such "five spot" locations on its Pearl Lease, numbered and located as follows:

PEARL NO. 25-B: In SW/4 NE/4 of Section 25, Township 17 South, Range 32 East, N. M.P.M., to be located 1345 feet South of

the North Line and 2615 feet West of the East Line of said Section 25;

PEARL NO. 26-B: In NW/4 SW/4 of Section 30, Township 17 South, Range 33 East, N. M.P.M., to be located 2665 feet South of the North Line and 25 feet East of the West Line of said Section 30;

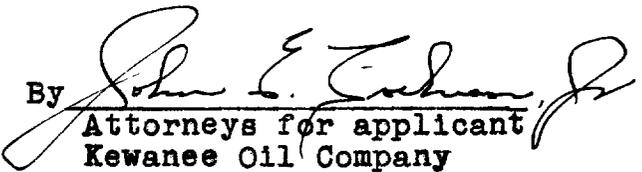
the locations of each of said wells being shown on the map attached hereto, marked Exhibit "A".

5. That Kewanee Oil Company does not request that in the event said two above described wells, when drilled, are productive that it be granted any additional allowable for said wells but that the allowable as set forth in the Proration Schedule of the Oil Conservation Commission of the State of New Mexico for each forty acre unit contained in the Pearl Lease shall remain the same as if there were only one producing well on such forty acre tract, and that on such forty acre tracts where one of the above described wells shall constitute a second well, then there shall only be produced from such second well and the then existing well upon such forty acre tract a quantity of oil per month equal to the allowable set for such forty acre unit by the Oil Conservation Commission of the State of New Mexico as though there were only one producing oil well on such forty acre unit.

WHEREFORE, applicant prays that it be granted permission to drill the two wells at the locations hereinabove described and shown on map attached hereto, marked Exhibit "A"; that the commission set a date for hearing herein in accordance with its rules and regulations and that upon presentation of this application

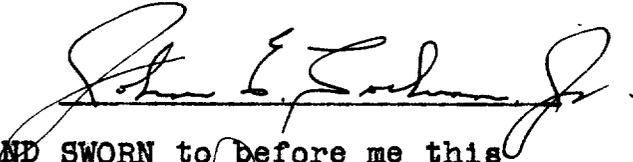
that proper order be entered granting permission to applicant to drill said wells.

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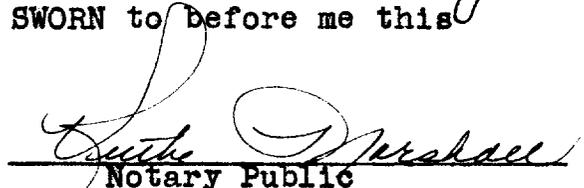
By   
Attorneys for applicant  
Kewanee Oil Company

STATE OF NEW MEXICO     )  
                                  : ss.  
COUNTY OF EDDY         )

John E. Cochran, Jr., being first duly sworn upon his oath deposes and states: That he is one of the attorneys for the applicant in the above and foregoing application and that he has read the same and from personal knowledge knows the matters therein contained to be true and correct, except such statements as are alleged upon information and belief and as to those, he verily believes them to be true; that this verification is made by him on behalf of Kewanee Oil Company because a representative or agent of Kewanee Oil Company is not available to sign this application.

  
SUBSCRIBED AND SWORN to before me this

28th day of April, 1948.

  
Notary Public

My commission expires:  
April 15, 1950

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 997  
Roswell, New Mexico  
May 5, 1948

Mr. John E. Cochran, Jr.  
Cochran and Seigenthaler  
Carper Building  
Artesia, New Mexico

Lease Las Cruces 058697(b)

Dear Mr. Cochran:

Reference is made to your letter of April 29 transmitting a copy of an application executed by you on April 28, 1948, for Cochran and Seigenthaler, attorneys for applicant, Kewanee Oil Company, which had been filed with the Oil Conservation Commission of New Mexico for permission to drill two additional unorthodox well locations in sec. 25, T. 17 S., R. 32 E., and sec. 33, T. 17 S., R. 33 E., N.M.P.M., Maljamar pool, Lea County, New Mexico.

The land involved in the application is embraced in Federal oil and gas lease Las Cruces 058697(b), now operated by Kewanee Oil Company.

The unorthodox well locations set forth in the application are approximately 25 feet from the common intersections of the boundaries of 40-acre legal subdivisions. No encroachment of the outer boundaries of the leasehold is involved as the proposed locations are more than 330 feet from lease boundaries. The application provides that the additional wells are to be considered as constituting the second well on the respective 40-acre tract on which it is located and no additional allowable or unitization of production is requested.

No objection is offered by this office to the well spacing plan providing for the drilling of the additional wells numbered 25-B and 26-B at the two unorthodox locations specified in the application. It is the opinion of this office that the drilling of additional wells should be encouraged to afford opportunity for the greatest ultimate recovery of oil and gas from the presently producing reservoir of the Maljamar pool.

Approval to drill the additional wells at the unorthodox locations will be contingent upon approval of such locations by the Oil Conservation Commission of the State of New Mexico for proration purposes.

Very truly yours,

  
Foster Morrell,

Supervisor, Oil and Gas Operations.

cc: Mr. Cochran

EXHIBIT A