

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

April 19, 1949

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

Attention: Mr. R. R. Spurrier

Gentlemen:

Enclosed herewith is Application, in triplicate, of Buffalo Oil Company, for an order granting permission to drill Well No. 21-A on its Baish "A" Lease, located in Section 21, Township 17 South, Range 32 East, N.M.P.M., and for permission to plug back Well No. 15-A on the same forty-acre legal subdivision and produce it from the Yates Sand.

At your earliest convenience, will you please set a time for hearing this Application and publish notice thereof and advise me the date set for hearing on this Application.

The land upon which this location is desired is embraced in a Federal Oil and Gas Lease and, therefore, a copy of this Application is being furnished Mr. Foster Morrell, Supervisor of the United States Geological Survey at Roswell, New Mexico.

Very truly yours


John E. Cochran, Jr.

JEC:rm

Encls.

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
BUFFALO OIL COMPANY FOR ORDER GRANT-
ING PERMISSION TO DRILL UNORTHODOX
LOCATION, DESIGNATED AS WELL NO.
21-A, ON THAT PORTION OF ITS BAISH
"A" LEASE, DESCRIBED AS NE/4 OF SW/4
OF SECTION 21, TOWNSHIP 17 SOUTH,
RANGE 32 EAST, N.M.P.M., IN THE MALJ-
AMAR FIELD, LEA COUNTY, NEW MEXICO,
AND FOR PERMISSION TO PLUG BACK WELL
NO. 15-A ON THE SAME FORTY ACRE LEGAL
SUBDIVISION AND PRODUCE IT FROM THE
YATES SAND.

NO. _____

APPLICATION

BUFFALO OIL COMPANY, Applicant herein, is a Corporation, licensed to do business in the State of New Mexico, with an office located at Artesia, New Mexico, and in connection herewith, respectfully shows to the Commission:

1. That Applicant is the owner and operator of Federal Oil and Gas Lease bearing Las Cruces Serial No. 029503(a), covering the following described land, situated in Lea County, State of New Mexico, to-wit:

N/2, SW/4 and N/2 SE/4 Section 21; and
W/2 NW/4 Section 22, Township 17 South,
Range 32 East, N.M.P.M.

2. That said tract of land, hereinabove described, is located in what is known as the Maljamar Pool of Lea County, New Mexico, and that there have been drilled on said tract of land a total of sixteen wells which are producing from the Maljamar Pay, encount-

ered at an approximate depth of 4,000 feet. That in addition to the sixteen wells producing from the Maljamar Pay, there have been drilled two additional wells to the Maljamar Pay upon said above described tract of land, which wells are designated as Wells Nos. 8-A and 26-A, which are being used at the present time as gas injection wells, through which gas is returned to the Maljamar reservoir.

3. That in addition to the above mentioned wells drilled to the Maljamar Pay on the Baish "A" Lease, there have been drilled three additional wells, being Wells Nos. 17-Y, 18-Y and 19-Y, which wells were drilled to the Yates Sand, which was encountered at a depth of approximately 2550 feet, and which said three wells are producing from the Yates Sand at the present time.

4. That the lease hereinabove described is located within the Maljamar Cooperative Repressuring Agreement.

5. That Well No. 15-A on the Baish "A" Lease, located in the NE/4 of SW/4 of Section 21, Township 17 South, Range 32 East, N.M.P.M., was completed as a producing well in the Maljamar Pay on September 27, 1942. That in the completion of this well, tools were lost in the hole, thereby causing a poor completion on this well. That by reason of this poor completion, this well has never been a large producer and at the present time is producing only ten barrels of oil per day. That at the time Well No. 15-A was drilled, a very substantial showing

of oil was encountered in the Yates Sand at an approximate depth of 2550 feet.

6. That Applicant, upon the basis of geological information, is advised and is of the opinion and belief that a well drilled in the NE/4 of SW/4 of said Section 21, to be located 25 feet North and 25 feet East of the Southwest Corner of the NE/4 of SW/4 of said Section 21, to the Maljamar Pay, when completed, would be capable of producing a substantial quantity of oil; that said location is shown on the map attached hereto, marked Exhibit "A" and by reference made a part hereof, and that the drilling of such location would be in the interest of conservation and would prevent waste, in that the drilling of said well would enable Applicant to recover substantial quantities of oil which would not otherwise be recovered. That Applicant desires to drill this additional well, to be numbered and located as follows:

WELL NO. 21-A, to be located 25 feet North and 25 feet East of the Southwest Corner of the NE/4 of SW/4 of Section 21, Township 17 South, Range 32 East, N.M.P.M.;

the location of such well being shown on the map attached hereto, marked Exhibit "A".

7. That the drilling of Well No. 21-A at the location herein proposed, would constitute a second well producing from the Maljamar Pay on the NE/4 of SW/4 of said Section 21; and if permitted to drill well No. 21-A at the location hereinabove described by the Oil Conservation Commission, then Applicant desires to move in equip-

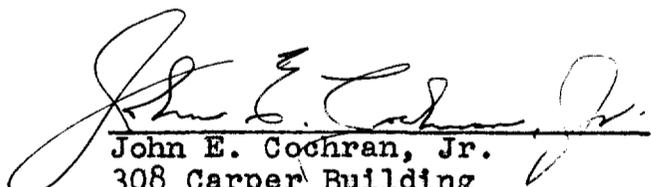
ment and plug back Well No. 15-A, located on the same forty-acre legal subdivision of the Baish "A" Lease, to an approximate depth of 2550 feet, and complete and produce said Well No. 15-A thereafter from the Yates Sand.

8. That in the event a permit is granted Applicant to drill Well No. 21-A at the location proposed, and permission is granted to plug back and produce Well No. 15-A from the Yates Sand, then upon the completion of Well No. 21-A as a producing well, that the Oil Conservation Commission of New Mexico permit said Well No. 21-A to produce the daily allowable for the forty-acre unit upon which said well is located, from the Maljamar Pay, in accordance with and as determined by the Allocation of Production Plan in use for proration units comprising leases within the boundaries of and committed to the Maljamar Cooperative Repressuring Agreement.

9. That the plugging back and completing of Well No. 15-A in the manner hereinabove outlined, from the Yates Sand, will constitute the second well producing from the Yates Sand on the NE/4 of SW/4 of said Section 21, Well No. 19-Y, also located upon this same forty-acre legal subdivision, being a Yates Sand Well. That in the event Applicant is permitted to plug back Well No. 15-A and complete the same as a producing well in the Yates Sand, then and in that event, it is the intention of Applicant to produce only the allowable for one Yates Sand forty-acre proration unit for the two wells located upon the NE/4 of SW/4 of said Section 21, producing from the Yates

Sand and, in no event will the combined daily production from these two Yates Sand wells exceed the allowable for Yates Sand production, as fixed by the Oil Conservation Commission for the forty-acre proration unit upon which said two wells are located.

WHEREFORE, Applicant prays that it be granted permission to drill Baish Well No. 21-A, at the location hereinabove described; that it be granted permission to plug back and complete Well No. 15-A in the Yates Sand; that the Commission set a date for hearing this Application, in accordance with its rules and regulations, and that upon presentation of this Application, proper order be entered granting permission to Applicant to produce a daily allowable from the forty-acre proration unit upon which said Well No. 21-A is located, in accordance with the Allocation of Production Plan in effect and applicable to leases within the Maljamar Cooperative Repressuring Agreement, producing from the Maljamar Pay.


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

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

H. G. ELLIS, being first duly sworn upon his oath, deposes and states: That he is Vice-President of BUFFALO OIL COMPANY, Applicant in the within 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.



H. G. Ellis

SUBSCRIBED AND SWORN TO before me this 19th day of April, 1949.



Notary Public

My commission expires:

April 15, 1950