

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 248
ORDER no. R-52

IN THE MATTER OF THE APPLICATION
OF AMERADA PETROLEUM CORPORATION
FOR AN EXCEPTION TO THE SPACING
PATTERN HERETOFORE ESTABLISHED IN
THE KNOWLES POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing on 25 January, 1951, at Santa Fe, New Mexico, and the Commission having heard the evidence and the argument of counsel, and being duly advised finds:

1. It has jurisdiction of this case and of the parties interested therein, due notice of this hearing having been given.
2. Pursuant to Orders R-23 and R-40, heretofore entered, an 80-acre spacing pattern has been established for the Knowles pool and proration units established therein. One of said proration units so established embraces the N/2 NW/4 section 2, T. 17 S, R. 38 E, Lea County, New Mexico.
3. Amerada Petroleum Corporation has heretofore drilled and plugged on 16 October, 1950 a dry hole drilled to the Devonian formation and located in the center of the NW/4 NW/4 section 2, T. 17 S, R. 38 E.
4. The structure of the Knowles pool is such that a well drilled in the center of the NE/4 NW/4 of said section would likely be productive of oil from the common reservoir.
5. In order to meet changed conditions, preclude inequities, and preserve correlative rights, applicants should be granted an exception from Orders R-23 and R-40 so as to permit the drilling of a well in the NE/4 NW/4 of said section 2, and if said well is productive applicants should be granted a normal 40 acre unit allowable with deep pool adaptation.

IT IS THEREFORE ORDERED:

1. Amerada Petroleum Corporation is hereby granted permission to drill a well to the Devonian formation in the center of the NE/4 NW/4 section 2 T 17 S R 38 E.
2. If said well be completed as a producing well it shall have a normal 40-acre unit allowable with deep pool adaptation.

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3. This order should be considered as an exception to Orders R-23 and R-40, but shall not otherwise affect said orders.

DONE at Santa Fe New Mexico this 29 day of January 1951

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM Chairman

Guy Shepard
GUY SHEPARD Member

R. R. Spurrer
R. R. SPURRIER, Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE ESTABLISHMENT OF PRORATION UNITS AND UNIFORM SPACING OF WELLS IN THE KNOWLES POOL IN LEA COUNTY, NEW MEXICO)))))	CASE NO. 204
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A P P L I C A T I O N

COMES NOW Amerada Petroleum Corporation and alleges and states:

1. That this Commission has heretofore entered its order establishing 80-acre proration units and uniform spacing of wells in the Knowles Pool, Lea County, New Mexico, wherein the N/2 NW/4 of Section 2, T-17-S, R-38-E, Lea County, New Mexico, constituted a single proration unit with the authorized well location to be in the center of the NW/4 NW/4 of said Section 2.

2. That Applicant has heretofore drilled, plugged and abandoned on October 16, 1950, a dry hole drilled to the Devonian formation in said pool at the location prescribed by the spacing order referred to.

3. That in order to prevent waste and protect the correlative rights of all parties in the Knowles Pool and so that all royalty owners may recover their just and equitable share of the oil and gas in said common reservoir, Applicant should be given an exception to said spacing order authorizing it to drill a well into said common source of supply located in the center of NE/4 NW/4 Section 2, T-17-S, R-38-E, and the allowable for said well and the acreage attributable thereto as the proration unit therefor be determined by the Commission.

4. Applicant believes and therefore alleges that a well drilled in the Knowles Pool at the location herein requested will produce oil and gas in commercial quantities.

WHEREFORE, Applicant respectfully requests that this application be set for hearing and that notice be given as required by law, and that upon the conclusion of said hearing the Commission enter its order granting an exception to the spacing order referred to above and authorizing Applicant to drill a well to the producing formation of the Knowles Pool in the center of NE/4 NW/4 Section 2, T-17-S, R-38-E, and determining the allowable for said well and the acreage attributable thereto as the proration unit as may be just and proper for the prevention of waste and the protection of the correlative rights of all interested parties, and for such further relief to which Applicant may be entitled.

Dated this 29th day of December, 1950.

Seth & Montgomery
 By *Chas. S. L.*
 Harry D. Page and Booth Kellough
 By *B. J. K.*

Attorneys for
 AMERADA PETROLEUM CORPORATION