

Case # 1231

March 5, 1957

Oil Conservation Commission
Capitol Building
Santa Fe, New Mexico

RE: Application for Approval of
Unorthodox Location on
The IbeX Company McElvain No. 2 Well
situated in the NW/4 of NE/4 of
Sec. 30, T 18 S, R 34 E, N.M.P.M.,
Lea County, New Mexico, and being
a part of Federal Lease LC 069457
E. K. Johnson

Gentlemen:

Application is herewith made for an immediate hearing before the Commission and/or the Examiner for the purpose of obtaining favorable consideration for an unorthodox location of The IbeX Company McElvain No. 2 Well located in the Northwest 1/4 of the Northeast 1/4 of Section 30, T 18 S, R 34 E, N.M.P.M., Lea County, New Mexico, under the provisions of Oil Conservation Commission Rule 104(a)(2) *Struck by Act.*

The above referred to well was drilled at the purported location of 660 feet from the North line and 1980 feet from the East line of Section 30, T 18 S, R 34 E, according to a survey made by John A. Mathias, Jr., Registered Land Surveyor, on September 28, 1955.

Due to an errant road construction crew, or picking of the wrong stake by the drilling contractor or some other circumstance unknown to the applicant, such well was drilled at a point 6 inches from the North line of said 40-acre proration unit, rather than 660 feet from the said North line as proposed, as more particularly shown on plat prepared by John A. Mathias, Jr., Registered Land Surveyor, attached hereto and marked Exhibit "A".

Subsequent thereto, this unorthodox location was determined to exist and the Oil Conservation Commission notified the applicant to discontinue producing said well until such time as the unorthodox location had been approved. The applicant immediately started negotiations with the offset owner of the 40-acre unit directly to the North of this tract, and on February 11, 1957, secured an assignment from the offset owner of such proration unit, described as the Southwest 1/4 of the Southeast 1/4 of Section 19, T 18 S, R 34 E, N.M.P.M., Lea County, New Mexico, said proration unit being a portion of Federal Lease LC 063645. That applicant is now the owner of both proration units and, by virtue of having common ownership of all ~~oil~~ *both* ~~and gas leases within a radius of 660 feet of the unorthodox location,~~ *units* is entitled to a favorable decision under the premise of Oil Conservation Commission Rule 104(a)(2) as an exception to Oil Conservation Commission Rule 104(c).

It is respectfully requested that the Commission and/or Examiner grant to Applicant authority for an unorthodox location for the above referred to well and to grant a legal allowable for such well at the earliest possible date.

Inasmuch as the applicant is suffering considerable loss due to being shut down, any consideration you can give in setting the earliest possible date for hearing on this matter shall be appreciated.

Yours very truly,

THE IBEX COMPANY and T. H. McELVAIN

R. L. Elliott
BY: R. L. ELLIOTT, Attorney

RLR/dw
Enclosure
CC: Bureau of Land Management
Box 1251
Santa Fe, New Mexico

EXHIBIT "A"

807 BULLOCK AVENUE
DIAL SHERWOOD 6-4116



John A. Mathis, Jr.
SOUTHEAST ENGINEERING CO.

GENERAL SURVEYING

ARTESIA, NEW MEXICO

- PHOTOSTATS
- OZALID PRINTS

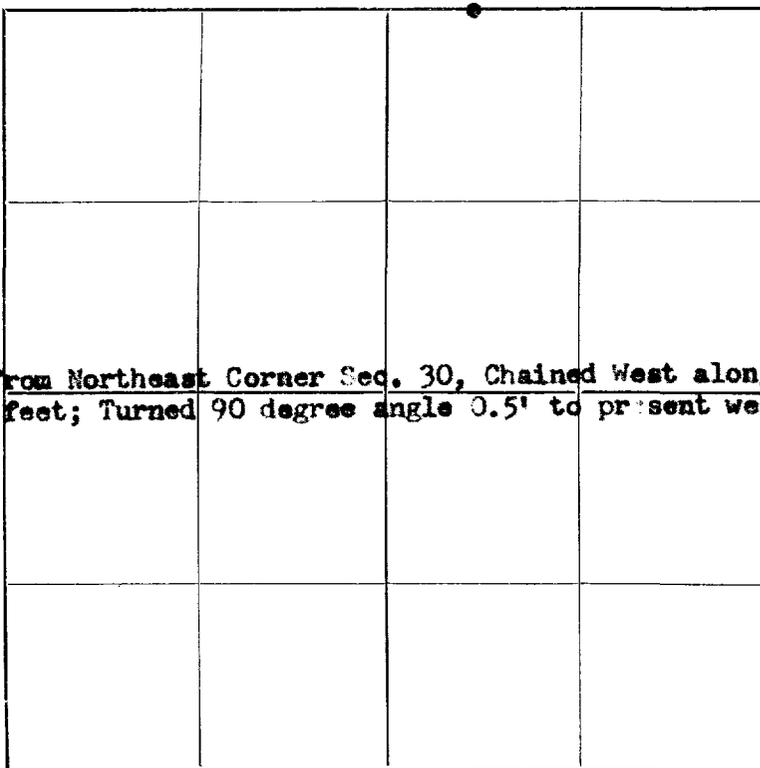
COMPANY The Ibex Company

LEASE McIlvane-Federal WELL NO. 2

SEC. 30 T. 18 S., R. 34 E., N. M. P. M.

LOCATION 1978.3' from East Line; 0.5' from North Line

COUNTY Lea NEW MEXICO



Note: From Northeast Corner Sec. 30, Chained West along North Line of Sec. 1978.3 feet; Turned 90 degree angle 0.5' to present well.

SCALE 4" = 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:
ARTESIA, NEW MEXICO

John A. Mathis, Jr.
REGISTERED LAND SURVEYOR.

SURVEYED November 12, 1956

ARTESIA PRINTING CO.