Entered Mit gust 14, 1759

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 1718 Order No. R-1455

APPLICATION OF SAMEDAN OIL CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION FOR A WELL IN THE KEMNITZ-WOLFCAMP POOL, LEA COUNTY, NEW MEXICO, IN EXCEPTION TO THE SPACING REQUIREMENTS FOR SAID POOL AS PROMULGATED BY ORDER NO. R-1011

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 8, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>lst</u> day of August, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Samedan Oil Corporation, is the owner and operator of the E/2 SE/4 of Section 20, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That the applicant, in exception to Order Nos. R-1011 and R-1011-A, seeks an order authorizing the drilling of an oil well in the Kemnitz-Wolfcamp Pool, Lea County, New Mexico, at a point 660 feet from the South line and 660 feet from the East line of said Section 20, which well would be dedicated to the abovedescribed 80 acres.

-2-Case No. 1718 Order No. R-1455

- (4) That by Order Nos. R-1011 and R-1011-A, 80-acre proration units were authorized in said Kemnitz-Wolfcamp Pool and a fixed spacing pattern was adopted requiring wells to be located within 150 feet of the center of the northeast quarter or the southwest quarter of a governmental quarter section.
- (5) That the establishment of 80-acre proration units in said Kemnitz-Wolfcamp Pool with a fixed spacing pattern requiring the drilling of wells on diagonal 40-acre tracts was based upon the principle of drainage and counter-drainage
- (6) That in view of the fact that the said Kemnitz-Wolfcamp Pool has been largely developed on the pattern set forth in Order Nos. R-1011 and R-1011-A, the exception requested by the applicant would violate the principle of drainage and counter-drainage and thus would impair correlative rights.
 - (7) That the subject application should be denied.

IT IS THEREFORE ORDERED:

That the application of Samedan Oil Corporation for an exception to Order Nos. R-1011 and R-1011-A to permit the drilling of an oil well in the Kemnitz-Wolfcamp Pool at an unorthodox location 660 feet from the South line and 660 feet from the East line of Section 20, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico, be and the same is hereby denied.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

Dei Eldongan

SEAL

L. PORTER, Jr., Member & Secretary

vem/