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. 354 ORDER No. R-179

THE APPLICATION OF GULF COAST WESTERN OIL COMPANY (SUCCESSORS TO C. E. WILLINGHAM) FOR AN ORDER GRANTING PERMISSION TO PRODUCE ITS T. O. MAY, WELL NO. 5, NE/4 NE/4 SECTION 34, TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO, IN THE PENROSE-SKELLY POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on April 15, 1952, May 20, 1952, June 19, 1952, and July 15, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 1st day of August, 1952, the Commission, a quorum being present, having considered the records and the testimony adduced and being fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of the case and the persons and subject matter thereof.
- (2) That the original applicant, C. E. Willingham, has assigned his T. O. May lease, NE/4 Section 34, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, to Gulf Coast Western Oil Company.
- (3) That by virtue of Commission Order No. R-103, the Commission granted permission to drill an unorthodox well to be located 1310 feet from the North and East lines of Section 34, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, to be known as the T. O. May, Well No. 5.
- (4) That the proposed well was to be drilled as a test well to determine the feasibility of water flooding the producing horizon in the Penrose-Skelly Pool.
- (5) That the applicant now desires to produce the well pending the outcome of negotiations between himself and offset operators for a joint water flooding project in the area.

-2-Case No. 354 Order No. R-179

(6) That offset operators, namely Skelly Oil Company, and Humble Oil and Refining Company have no objection to the granting of a temporary three month allowable to the well.

IT IS THEREFORE ORDERED:

That the applicant herein, Gulf Coast Western Oil Company, be, and it hereby is authorized to produce its T. O. May Well No. 5, NENE Section 34, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, for a period of 3 months effective August 1, 1952.

Provided further, that the allowable assigned the well shall not exceed the normal unit allowable as set by the Commission for the Penrose-Skelly Pool.

Provided further, that at the regular monthly hearing of the Commission on October 15th, 1952, this case shall again be heard and determination made as to the future allowable to be assigned this well.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

SEAL