

Entered August 30, 1966
(C.F.D.)

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. 3448
Order No. R-3109

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN UNORTHODOX LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 24, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of August, 1966, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Pan American Petroleum Corporation,
seeks authority to drill its South Mattix Unit Well No. 21 at an
unorthodox location 1873 feet from the South line and 2087 feet
from the West line of Section 15, Township 24 South, Range 37
East, NMPM, Fowler-Ellenburger Pool, Lea County, New Mexico.

(3) That the applicant has drilled a well at a standard
location in the SE/4 SW/4 and that due to conditions in said well,
it has been plugged back to and is now producing from the Blinbry
formation.

(4) That due to said conditions, it is not feasible to drill
another well into the Ellenburger formation at a standard location
in the SE/4 SW/4.

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(5) That a well drilled at the proposed location should result in greater ultimate recovery of oil than a well drilled at a standard location in the SE/4 SW/4.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Fowler-Ellenburger Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to drill its South Mattix Unit Well No. 21 at an unorthodox location in the Fowler-Ellenburger Pool 1873 feet from the South line and 2087 feet from the West line of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


A. L. PORTER, Jr., Member & Secretary

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