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

CASE NO. 564 Order No. R-360

THE MATTER OF THE APPLICATION OF LOS NIETOS COMPANY FOR PERMISSION TO DRILL DIRECTIONALLY ITS STATE GROSS NO. 2 WELL, SW/4 NE/4 SECTION 2, TOWNSHIP 12 SOUTH, RANGE 32 EAST, THE WELL TO BE PLUGGED BACK FROM A TOTAL DEPTH OF 11,260' AND WHIPSTOCKED IN ORDER TO DEVIATE AND ATTEMPT TO REACH THE DEVONIAN PAY SECTION OF THE EAST CAP-ROCK-DEVONIAN POOL AT A POINT APPROXIMA-TING A SURFACE LOCATION OF 2208.11' FROM THE NORTH LINE AND 1811.54' FROM THE EAST LINE OF SAID SECTION 2.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on August 20, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of September, 1953, the Commission, a quorum being present, having considered the testimony adduced and exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by reason of structural conditions the State Gross No. 2 was bottomed dry at 11,260'.

(3) That with Commission approval, the applicant plugged back and whipstocked at 9639', thereafter directionally drilling to a predetermined bottom 2208.11' from north line and 1811.54' from the east line in the Devonian formation at a depth of 11,259'.

(4) That applicant has caused subsurface and directional drilling surveys to be made as required by Commission rules.

(5) No objections by offset operators were presented.

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IT IS THEREFORE ORDERED:

That the application of Los Nietos Company for permission to directionally drill its State Gross No. 2 Well, located in the SW/4 NE/4 of Section 2, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, in the East Caprock - Devonian Pool, be, and the same hereby is approved.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL