Entered Plenning 3, 1962

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. 2436 Order No. R-2135

APPLICATION OF HUDSON & HUDSON FOR TWO UNORTHODOX OIL WELL LOCATIONS IN THE MALJAMAR POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 29, 1961, 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>13th</u> day of December, 1961, 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, Hudson & Hudson, is the owner and operator of the Puckett "B" Lease in the Maljamar Pool comprising, in pertinent part, Section 24, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes to drill two oil wells at unorthodox locations on the above-described Puckett "B" Lease, one well to be located within 100 feet and not less than 25 feet of the Southeast corner of Unit J in said Section 24, and one well to be located within 100 feet and not less than 25 feet of the Northwest corner of Unit O in said Section 24. -2-Case No. 2436 Order No. R-2135

(4) That inasmuch as the applicant eventually proposes to utilize the above-described wells for purposes of water injection, the casing and cementing program should be such that the wells will be able to adequately withstand any anticipated injection pressures.

(5) That so long as each 40-acre tract receives only one normal unit allowable for the Maljamar Pool, notwithstanding the number of wells located thereon, approval of the subject application will neither cause waste nor impair correlative rights since the proposed unorthodox locations will not crowd any offset operator.

IT IS THEREFORE ORDERED:

(1) That the applicant, Hudson & Hudson, is hereby authorized to drill two oil wells at unorthodox locations in the Maljamar Pool, Eddy County, New Mexico, one well to be located within 100 feet and not less than 25 feet of the Southeast corner of Unit J, and one well to be located within 100 feet and not less than 25 feet of the Northwest corner of Unit O, all in Section 24, Township 17 South, Range 31 East, NMPM, Eddy 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

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EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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

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