BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CON-SIDERING:

CASE NO. 567 Order No. R-361

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN EXCEPTION TO THE SPACING PATTERN HERETOFORE ESTABLISHED IN THE KNOWLES POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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This cause came on for hearing on August 20, 1953, at Santa Fe, New Mexico before the Oil Conservation Commission of New Mexico, and the Commission having heard the evidence and the argument of counsel, and being duly advised,

FINDS:

(1) It has jurisdiction of this case and of the parties interested therein, due notice of this hearing having been given.

(2) Pursuant to Orders R-23 and R-40, heretofore entered, an 80-acre spacing pattern has been established for the Knowles pool and proration units established ed therein. One of said proration units so established embraces the N/2 SE/4 Section 34, Township 16 South, Range 38 East, Lea County, New Mexico.

(3) Amerada Petroleum Corporation has heretofore drilled and plugged on January 27, 1953 a dry hole drilled to the Devonian formation and located in the center of the NW/4 SE/4 Section 34, Township 16 South, Range 38 East.

(4) The structure of the Knowles Pool is such that a well drilled in the center of the NE/4 SE/4 of said section would likely be productive of oil from the common reservoir.

(5) In order to meet changed conditions, preclude inequities, and preserve correlative rights, applicants should be granted an exception from Orders R-23 and R-40 so as to permit the drilling of a well in the NE/4 SE/4 of said section 34, and if said well is productive applicants should be granted a normal 40-acre unit allowable with deep-pool adaptation.

IT IS THEREFORE ORDERED:

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(1) Amerada Petroleum Corporation is hereby granted permission to drill a well to the Devonian formation in the center of the NE/4 SE/4 Section 34, Township 16 South, Range 38 East. -2-Case No. 567 Order No. R-361

(2) If said well be completed as a producing well, it shall have a normal 40-acre unit allowable with deep-pool adaptation.

(3) This order should be considered as an exception to Orders R-23 and R-40, but shall not otherwise affect said orders.

DONE at Santa Fe, New Mexico this 17th day of September, 1953.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary and Member

SEAL