Enlight Three 11, 1956

## BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE NEW MEXICO

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

> CASE NO. 1022 Order No. R-775

THE APPLICATION OF VICKERS PETROLEUM COMPANY, INC., FOR APPROVAL OF THE DRILLING OF A PROPOSED WELL AS A "FIVE-SPOT" LOCATION WITHIN THE BOUNDARIES OF THE SQUARE LAKE OIL POOL AS AN EXCEPTION TO RULE 104 (c) OF THE RULES AND REGULATIONS OF THE COM-MISSION; SAID LOCATION TO BE 1345 FEET FROM THE NORTH LINE AND 1345 FEET FROM THE EAST LINE OF SECTION 30, TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m., on March 1, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this <u>for</u> day of March 1956, the Commission, a quorum being present, having considered the evidence adduced at said hearing, and the recommendations of Warren W. Mankin, Examiner, and being fully advised in the premises,

FINDS:

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

(2) That petitioner is the owner of the operating rights of a Federal oil and gas lease which includes among other lands the NE/4 of Section 30, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, which lease is known as the George Etz Lease.

(3) That there are four producing oil wells at standard locations on the aforesaid quarter section on the aforesaid lease, which wells are producing from the Grayburg and/or upper San Andres formations of the Square Lake Oil Pool.

(4) That the four existing wells on the aforesaid portion of this lease are not sufficient to recover all the recoverable oil under this tract, and that the drilling of the "five-spot" location as proposed in applicant's petition would be in the interests of conservation, would prevent waste and would enable applicant to recover substantial quantities of oil which would otherwise not be produced. -2-Order No. R-775

(5) That adjacent leasehold interests have not objected to the drilling of such additional location, and will not be adversely affected by the provisions of this order.

## IT IS THEREFORE ORDERED:

(1) That the application of Vickers Petroleum Company, Inc., be and the same hereby is approved, and that applicant is hereby granted permission to drill an unorthodox "five-spot" location 1345 feet from the North line and 1345 feet from the East line of Section 30, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico in the Square Lake Pool.

(2) That applicant shall not receive additional allowable by virtue of the drilling of said "five-spot" location, and that applicant shall produce only that allowable granted the 40-acre unit described as the SW/4 NE/4 of said Section 30 as ordered by the Commission under the provisions of Commission Rule 505.

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

> STATE OF NEW MEXICO OIL-CONSERVATION COMMISSION

John I Sum

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

6

SEAL

ir/