

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
KEWANEE OIL COMPANY FOR ORDER GRANT-  
ING PERMISSION TO DRILL TWO UNORTHO-  
DOX LOCATIONS, DESIGNATED AS WELLS  
27-B AND 28-B, ON ITS PEARL LEASE,  
LOCATED IN THE MALJAMAR FIELD OF LEA  
COUNTY, NEW MEXICO

NO. \_\_\_\_\_

APPLICATION

KEWANEE OIL COMPANY, Applicant herein, is a Corporation, organized and existing under and by virtue of the laws of the State of Delaware, and is duly licensed to transact business in the State of New Mexico, and in connection herewith it respectfully shows to the Commission:

1. That Applicant is the owner and holder of Federal Oil and Gas Lease, Las Cruces Serial No. 058697, insofar as said lease covers the following described land, situated in Lea County, State of New Mexico, to-wit:

All of Section 25, Township 17 South, Range 32 East, N.M.P.M.; and Lots 1, 2, 3 and 4 and E/2 W/2 of Section 30, Township 17 South, Range 33 East, N.M.P.M.

2. That there have been drilled twenty-six wells located upon the land hereinabove described, and that, at the present time, twenty-four of said wells are producing; that seventeen of said producing wells are located in Section 25 and seven of said producing

wells are located in Lots 1, 2, 3 and 4 and E/2 W/2 of Section 30; that each of said wells is drilled on a spacing pattern of one well to a legal forty-acre subdivision, with the exception of wells 21-B, 22-B, 23-B, 24-B, 25-B and 26-B, which are "five spot" locations. That all of said wells are located in what is known as the Maljamar Pool of Lea County, New Mexico, and that all of said producing wells are producing from what is known as the Maljamar pay, encountered at an approximate depth of 4,000 feet.

3. That Kewanee Oil Company, upon the basis of geological and engineering information, is advised and is of the opinion and belief that one well located in the center of each forty-acre legal subdivision is not sufficient to obtain all of the recoverable oil under any forty-acre tract. That the drilling of additional "five spot" wells on said lease, at the locations shown on map attached hereto, marked Exhibit "A", and by reference made a part hereof, would be in the interest of conservation, prevent waste and enable Applicant to obtain a greater ultimate recovery of oil by the drilling of such additional "five spot" locations.

4. That Kewanee Oil Company has heretofore made application to, and the Oil Conservation Commission of the State of New Mexico has granted it permission to drill six "five spot" locations, which said six wells have now been completed and are producing.

5. That Kewanee Oil Company desires to drill

two additional such "five spot" locations on its Pearl Lease, numbered and located as follows:

PEARL NO. 27-B: In SE/4 SE/4 of Section 25, Township 17 South, Range 32 East, N.M.P.M., to be located 1295 feet from South Line and 1245 feet from East Line of said Section 25;

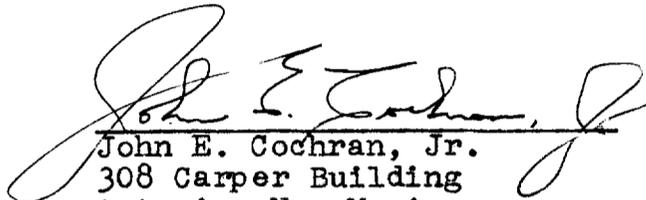
PEARL NO. 28-B: In SW/4 SE/4 of Section 25, Township 17 South, Range 32 East, N.M.P.M., to be located 1295 feet from South Line and 2615 feet from East Line of said Section 25;

the locations of each of said wells being shown on the map attached hereto, marked Exhibit "A".

6. That well No. 12-B, located in the SE/4 of SE/4 of Section 25, heretofore drilled to the Maljamar Pay was during the year 1948, temporarily abandoned, and therefore, wells Nos. 27-B and 28-B will constitute the only producing well on each of the forty-acre legal subdivisions upon which these two wells are located. Therefore, in the event permits are granted Applicant to drill the two above mentioned wells, upon completion of same as producing wells, Applicant asks that it be permitted to produce the daily allowable for the forty-acre unit upon which each of said wells is located, as fixed by the Oil Conservation Commission of the State of New Mexico.

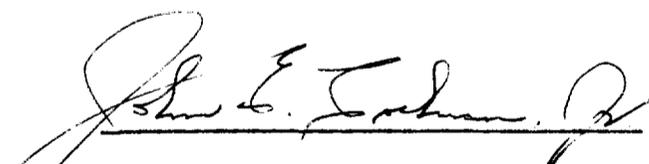
WHEREFORE, Applicant prays that it be granted permission to drill the two wells at the locations hereinabove described, shown on map attached hereto, marked Exhibit "A"; that the Commission set a date for hearing of this Application, in accordance with its rules and regulations, and that upon presentation of this Application proper order be entered granting permission to Applicant

to drill these two wells, at the locations hereinabove described.

  
John E. Cochran, Jr.  
308 Carper Building  
Artesia, New Mexico  
Attorney for  
Kewanee Oil Company

STATE OF NEW MEXICO     )  
                                  : ss.  
COUNTY OF EDDY         )

JOHN E. COCHRAN, JR., being first duly sworn upon his oath, deposes and states: That he is attorney for the Applicant in the above and foregoing Application and that he has read the same and from personal knowledge knows the matters therein contained to be true and correct, except such statements as are alleged upon information and belief and as to those, he verily believes them to be true; that this verification is made by him on behalf of KEWANEE OIL COMPANY because a representative or agent of Kewanee Oil Company is not available to sign this Application.

  
SUBSCRIBED AND SWORN to before me this 19th  
day of April, 1949.

  
Notary Public

My commission expires:  
April 15, 1950