

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF
DANCIGER OIL & REFINING COMPANY
FOR AN ORDER GRANTING PERMISSION
TO DRILL TWELVE UNORTHDOX LOCA-
TIONS ON ITS TURNER "A" AND TURNER
"B" LEASES IN SECTIONS 17, 18, 19
AND 20, TOWNSHIP 17 SOUTH, RANGE
31 EAST, N.M.P.M. IN EDDY COUNTY,
NEW MEXICO

No. _____

APPLICATION

DANCIGER OIL & REFINING COMPANY, Applicant here-
in, is a Corporation, having its principal office at Fort
Worth, Texas, and is licensed to transact business in the
State of New Mexico, and in connection herewith respectful-
ly shows to the Oil Conservation Commission:

1. Applicant is the owner and holder of Federal
Oil and Gas Lease, Las Cruces Serial No. 029395(a), desig-
nated as its Turner "A" Lease, covering the following de-
scribed land, situated in Eddy County, State of New Mexico,
to-wit:

SE/4, Lots 3 and 4 and E/2 SW/4 Section 18;
NE/4, Lots 1 and 2 and E/2 NE/4 Section 19,
Township 17 South, Range 31 East, N.M.P.M.,
and containing 609.43 acres, more or less.

2. That Applicant is also the owner and holder
of Federal Oil and Gas Lease, Las Cruces Serial No.
029395(b), designated as its Turner "B" Lease, covering
the following described land, situated in Eddy County, State
of New Mexico. to-wit:

S/2 S/2, NW/4 SW/4 Section 17; All Section 20;
All Section 29; Lots 3 and 4, SE/4 and E/2
SW/4 Section 30, Township 17 South, Range 31
East, N.M.P.M., and containing 1786.15 acres,
more or less.

3. That from inception of production on the Turner "A" Lease, which occurred on or about March 1, 1930, up to the present time, there have been drilled a total of twenty-two producing wells; that fourteen of said wells are producing from the Grayburg Lime, encountered at an approximate depth of 3400 feet; that the remaining eight wells on the Turner "A" Lease are producing from the Seven Rivers Sand, encountered at an approximate depth of 1870 feet.

4. That from inception of production on the Turner "B" Lease, which occurred on or about November 21, 1938, there have been drilled a total of twenty-nine producing wells; that ten of said wells are producing from the Grayburg Lime, encountered at an approximate depth of 3400 feet; that Well No. 1 on the Turner "B" Lease is producing from the Premier Sand, encountered at an approximate depth of 3100 feet, and the eighteen remaining wells on the Turner "B" Lease are producing from the Seven Rivers Sand, encountered at a depth ranging from 1885 feet to a depth of 2180 feet. At the present time Well No. 30, located in the Center of SE/4 SE/4 Section 17, Township 17 South, Range 31 East, is drilling.

5. That Applicant, upon the basis of geological and engineering information, is advised and is of the opinion and belief that one well located on a forty-acre

legal subdivision is not sufficient to obtain all of the recoverable oil from the Grayburg Lime under any forty-acre tract, and that the drilling of "five spot" wells on portions of the Turner "A" and Turner "B" Leases, producing from the Grayburg Lime, at the locations shown on the 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, in that Applicant would be able to recover substantial quantities of oil which would otherwise not be produced if such "five spot" locations are not drilled.

6. That Applicant hereby makes application to drill twelve such "five spot" locations, to be located upon the Turner "A" and Turner "B" Leases, hereinabove described, numbered and located, as follows:

TURNER "A", Well No. 24: Section 18, Township 17 South, Range 31 East, N.M.P.M., 1280 feet East of the West Line and 1280 feet South of the North Line of the S/2 of Section 18;

TURNER "A", Well No. 25: Section 18, Township 17 South, Range 31 East, N.M.P.M., 2560 feet East of the West Line and 1280 feet South of the North Line of the S/2 of Section 18;

TURNER "A", Well No. 26: Section 18, Township 17 South, Range 31 East, N.M.P.M., 1345 feet West of the East Line and 1295 feet South of the North Line of the S/2 of Section 18;

TURNER "A", Well No. 27: Section 18, Township 17 South, Range 31 East, N.M.P.M., 1345 feet East of the West Line and 2405 feet South of the North Line of the S/2 of Section 18;

T
TURNER "A", Well No. 28: Section 18, Township 17 South, Range 31 East, N.M.P.M., 2665 feet East of the West Line and 2405 feet South of the North Line of the S/2 of Section 18;

TURNER "A", Well No. 29: Section 18, Township 17 South, Range 31 East, N.M.P.M., 1295 feet West of the East Line and 2405 feet South of the North Line of the S/2 of Section 18;

TURNER "A", Well No. 30: Section 19, Township 17 South, Range 31 East, N.M.P.M., 1345 feet East of the West Line and 975 feet South of the North Line;

TURNER "A", Well No. 31: Section 19, Township 17 South, Range 31 East, N.M.P.M., 2665 feet East of the West Line and 975 feet South of the North Line;

TURNER "B", Well No. 31: Section 17, Township 17 South, Range 31 East, N.M.P.M., 1345 feet East of the West Line and 1085 feet South of the North Line of the S/2 S/2 of Section 17;

TURNER "B", Well No. 32: Section 17, Township 17 South, Range 31 East, N.M.P.M., 2665 feet East of the West Line and 1295 feet South of the North Line of the S/2 S/2 of Section 17;

TURNER "B", Well No. 33: Section 17, Township 17 South, Range 31 East, N.M.P.M., 1295 feet West of the East Line and 1295 feet South of the North Line of the S/2 S/2 of Section 17;

TURNER "B", Well No. 34: Section 20, Township 17 South, Range 31 East, N.M.P.M., 1295 feet West of the East Line and 1295 feet South of the North Line;

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

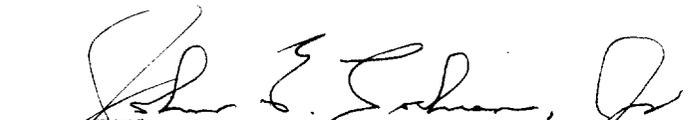
7. That if permits are granted to Applicant to drill the unorthodox locations hereinabove described, said drilling program, as to said locations, will be carried on in an orderly and continuous manner, and that while Applicant proposes to drill all of said locations, it does not

wish to be obligated to do so for the reason that as such locations are drilled, the data and information obtained from the drilling of such wells may cause Applicant to change or modify its future program with reference to the drilling of all twelve unorthodox locations hereinabove described.

8. That in the event an order is entered by the Oil Conservation Commission granting permission to Applicant to drill the hereinabove described unorthodox locations, that as said "five spot" wells are drilled, it is not Applicant's intention, nor does Applicant ask that it be granted any allowable in addition to the daily allowable as fixed monthly by the Oil Conservation Commission for each forty-acre proration unit. In instances where a "five spot" location, when completed, constitutes the second well upon a legal forty-acre subdivision, then it is the intention of Applicant to produce from the two such wells producing from the Grayburg Lime, located upon such forty-acre legal subdivision, the allowable as fixed by the Oil Conservation Commission for the forty-acre proration unit upon which said two wells are located, and in no event will the combined daily production from the two Grayburg Lime wells located upon any forty-acre legal subdivision exceed the allowable for the Grayburg Lime production, as fixed by the Oil Conservation Commission, for such forty-acre proration unit.

9. WHEREFORE, Applicant prays that the Commission set a date for hearing this application, in accord-

ance with its rules and regulations and that upon presentation of this application, Applicant be granted permission to drill the twelve unorthodox "five spot" locations hereinabove described, and further, that a proper order be entered granting permission to Applicant to produce the daily allowable from the forty-acre proration unit upon which a "five spot" location constitutes a second producing well, at such rate as will, in no event, exceed the allowable for Grayburg Lime production, as fixed by the Oil Conservation Commission for the forty-acre proration unit upon which said two wells are located.


 John E. Cochran, Jr., 308 Garper Building, Artesia, New Mexico.
 Attorney for Applicant, Danciger Oil & Refining 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; 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 DANCIGER OIL & REFINING COMPANY because a representative or agent of Danciger Oil & Refining Company is not available to sign this application.


 John E. Cochran, Jr.

SUBSCRIBED AND SWORN TO BEFORE ME, this 1st day of November, 1949.


 Notary Public

My commission expires: April 15, 1950

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9. WHEREFORE, Applicant prays that the Commission set a date for hearing this application, in accord-



- Exhibit 1.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 997
Roswell, New Mexico
November 4, 1949

Mr. John E. Cochran, Jr.
308 Carper Building
Artesia, New Mexico

Leases Las Cruces 029395(a) and (b)

Dear Mr. Cochran:

Reference is made to the application of Danciger Oil and Refining Company which you, as their attorney, stated you submitted to the Oil Conservation Commission of New Mexico for an order granting permission to drill 12 unorthodox "five spot" well locations in secs. 17, 18, 19 and 20, T. 17 S., R. 31 E., N.M.P.M., Eddy County, New Mexico.

The land involved in the application is embraced in Federal oil and gas leases Las Cruces 029395(a) and (b), both of which are held and operated by Danciger Oil and Refining Company. The unorthodox well locations set forth in the application are as follows:

Lease Las Cruces 029395(a)

Turner "A" Well No.	<u>E. of W. line Sec. 18</u>	<u>S. of N. line of S$\frac{1}{2}$ sec. 18</u>
24	1280'	1280'
25	2560'	1280'
27	1345'	2405'
28	2665'	2405'
	<u>W. of E. line Sec. 18</u>	
26	1345'	1295'
29	1295'	2405'
	<u>E. of W. line Sec. 19</u>	<u>S. of N. line Sec. 19</u>
30	1345'	975'
31	2665'	975'