

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
CONSIDERING:

Before Examiner *Mutter*
Oil Conservation Commission
Appl Exhibit Case No. 1316
CASE NO. 1098
Order No. R-859 *Ex. 1*

APPLICATION OF SUN OIL COMPANY
FOR APPROVAL OF AN UNORTHODOX
LOCATION AND A NON-STANDARD DRILLING
UNIT FOR ITS B. T. LANEHART WELL NO.
3 IN THE CROSBY-DEVONIAN POOL, LEA
COUNTY, NEW MEXICO, IN EXCEPTION TO
SECTION 2 (a) AND (b) OF THE SPECIAL
RULES AND REGULATIONS FOR THE CROSBY-
DEVONIAN POOL AS SET FORTH IN ORDER
R-639.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 11, 1956 at Hobbs, New Mexico and again at 10:00 o'clock a.m. on August 7, 1956 at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of August, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That the applicant is the owner of a patented oil and gas lease known as the B. T. Lanehart Lease, consisting of eighty (80) acres in the E/2 of the SE/4 of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant should be permitted to drill its B. T. Lanehart on a tract of eighty (80) acres rather than a 160 acres tract as required by Rule 2 (a) of the Special Rules and Regulations for the Crosby-Devonian Pool, Order R-639, due to the fact that said well is projected as an oil well rather than a gas well.

(4) That the proposed B. T. Lanehart Well No. 3 cannot be located 660 feet from the lease line as required by Rule 2 (b) of the Special Rules and Regulations for the Crosby-Devonian Pool, Order R-639, due to the fact that other wells already occupy these locations.

(5) That the applicant will be deprived of its fair share of the oil and gas in the Crosby-Devonian Pool unless its application for an unorthodox well location and non-standard drilling unit is approved.

IT IS THEREFORE ORDERED:

1. That the applicant, Sun Oil Company, be and the same is hereby granted permission to drill its proposed B. T. Lanehart Well No. 3 at a point 330 feet from the South and East lines of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico on a designated drilling unit of eighty (80) acres comprising the E/2 of the SE/4 of said Section 20 in exception to Rule 2 (a) and (b) of the Special Rules and Regulations for the Crosby-Devonian Pool, Order R-639.

2. That in the event the said B. T. Lanehart Well No. 3 is completed as an oil well the applicant will make prompt application to the Commission for a standard oil well proration unit.

3. That in the event the said B. T. Lanehart Well No. 3 is completed as a gas well the applicant will make every reasonable effort to form a standard gas proration unit of 160 acres, and, should such efforts fail, make prompt application to the Commission for forced pooling or a non-standard gas proration unit.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

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

I hereby certify that this is a true and correct copy of the original Order No. R-859 dated August 30, 1956.

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A. L. PORTER, Secretary Director