

Case 2371

RALPH L. GRAY
PETROLEUM ENGINEERING - PRODUCTION
CONSULTANT
201 CARPER BUILDING
ARTESIA, NEW MEXICO

August 8, 1961

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Director

Dear Sir:

On September 30, 1960, the Oil Commission issued its Order #R-1791, which granted authorization to William A. and Edward R. Hudson to drill an unorthodox "five-spot" location 2615 feet from the south and west lines of Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico. This was a test of the Abo formation but was located in the Maljamar (Grayburg-San Andres) Pool.

This test, Puckett "B" #19, was drilled and after being found dry in Abo, was temporarily abandoned on November 8, 1960. A plat is attached showing this general area.

Oil production from our Puckett "B" well #17, which is a regular location on the same 40 acre unit as well #19, has declined, and it is now desirable to perforate the Maljamar pay in well #19, so as to maintain a top allowable for this 40 acre tract.

Apparently, Order #R-1791 does not give authorization to complete in the Maljamar pay at this location, although it was originally anticipated that this would be done in the event that the well was dry in the Abo formation. It is possible that statements to this effect were made at our hearing.

Puckett "B" #19 is located at least one-half mile from the nearest offset lease, so does not affect any other operator. William A. and Edward R. Hudson have previously been authorized to drill five-spot unorthodox locations on their Puckett "A" lease in Section 24, which are intended ultimately to fit into a water flood program for the area. Likewise, our Puckett "B" #19 is located so as to also fit into the water flood program.

It is possible that no additional authorization is required

*Puckett
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[Signature]*

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to complete our Puckett "B" #19 in the Maljamar pay, but should additional authorization be necessary, we are requesting that your approval be given by administrative order or letter if possible. If a hearing is required, please consider this letter as our request for a hearing.

Your prompt attention will be appreciated.

Respectfully submitted,

WILLIAM A. & EDWARD R. HUDSON

By: *Ralph L Gray*
Consulting Engineer.

RLG:lw

