

BEFORE THE OIL CONSERVATION COMMISSION

RE: Case No. 3: A hearing for the consideration of the location of wells that have been drilled or that are proposed to be drilled in the Red Mountain Field, in Sections 20 and 29, T.20 N, R.9 W, McKinley County, New Mexico, in violation of Rule 2 of Circular 1 of the Commission, " Oil and Gas Conservation Law and General Rules and Regulations for the conservation of Oil and Gas in New Mexico." Particular consideration will be given to the Forth No. 2 well in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  section 29; Clark and Foster No. 1 well in the NE $\frac{1}{4}$ NW $\frac{1}{4}$  section 29, and the proposed Walker well in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  section 20. The owners of the above specifically mentioned wells and other interested parties are ordered to appear before the Commission at this hearing.

Order No. 30

The hearing of cause No. 3 coming on the 10th day of June, 1936 at 3:00 o'clock PM. There appearing: Olin C. Walker, Jr.; A. E. Howell; W. M. Forth; J. W. Clark; Rev. C. Hayenga and W. M. Hoy representing the Lark Drilling Company as royalty owner.

1. That the Forth Well No. 2 in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$  of section 29, Township 20 North, Range 9 West was located at a distance less than 330 feet from the lease boundary line.

2. That the Commission concludes as a matter of law that said location was contrary to and in violation of Rule 2 of Circular 1 of the General Rules and Regulations.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Commission that production of said well shall be discontinued immediately and that said well shall be plugged and abandoned according to the laws, rules and regulations of the Commission.

Done at Santa Fe, New Mexico this 11th day of June, 1936.

OIL CONSERVATION COMMISSION

Clyde Tingley, Governor

Frank Vesely, Commissioner of Public Lands

E. H. Wells, State Geologist