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:

CASE NO. 26

ORDER NO. 387

THE PETITION OF MARTIN YATES, JR., AND ROBERT SALLEE FOR A WELL LOCATION IN THE SE CORNER OF NWNE 2-185-29E, EDDY COUNTY, FOR STRUCTURAL REASONS, AT A POINT CLOSER TO THE BOUNDARY LINE OF SAID 40-ACRE TRACT THAN IS PERMITTED BY PRESENT RULES OF THE COMMISSION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at two o'clock P.M., July 25, 1941, at Santa Fe, New Mexico.

NOW, on the same said date, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises, the Commission finds:

FINDINGS

- application herein, the time and the place of the hearing thereon, and the purpose of said hearing, have been regularly given in all respects as required by law, and the Commission has jurisdiction of the subject matter embraced in said petition and of the parties interested therein, and jurisdiction to issue and promulgate the hereinafter prescribed order.
- 2. That geological sub-surface structural conditions appear to be such within the NWNE, Section 2, Township 18S, Range 29E, N.M.P.M., as to make a well location in accordance with existing rules of the Commission to be less likely to result in the production of oil in commercial quantities, and that it further appears to the Commission that because of said structural conditions a well location in the SE corner of the said $NW^{\frac{1}{4}}$ of the $NE^{\frac{1}{4}}$, at a point 100 feet west of the east boundary line and 100 feet north of the south boundary line of

said tract is more likely to produce oil in commercial quantities.

- 3. That Allen, Fair and Pope Inc., and Republic Production Company, the owners of 40-acre units affected, have consented to the drilling of the well in said proposed location.
- 4. That said location petitioned for appears to be a reasonable and practicable location which will not create waste.

IT IS THEREFORE ORDERED:

1. That the petitioners are hereby allowed to fix the well location petitioned for as follows:

At a point 100 feet west of the east boundary line and 100 feet north of the south boundary line of the $NW\frac{1}{4}$ of the $NE\frac{1}{4}$ Section 2, Township 185, Range 29E, N.M.P.M.

subject to the usual administrative requirements with respect to bond and the usual filing in triplicate with the Commission Notice of Intention to Drill, on Form C-101, setting out the special location herein granted.

OIL CONSERVATION COMMISSION

JOHN E. MILES, CHAIRMAN

RODGERS, MEMBER

M. KELLY, SECRETARY