

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
MALCO REFINERIES, INC., DALE RESLER
d/b/a RESLER OIL COMPANY, AND MARTIN
YATES JR. FOR APPROVAL OF THE DEEPENING
OF AN UNORTHODOX LOCATION - 2390' from N line
and 2390' from E line Sec. 28 T. 18 S. R. 28 E. N. M. P. M.

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TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF
NEW MEXICO:

The Petitioners herein, appearing by their representative, Vilas P. Sheldon of Artesia, New Mexico, hereby make application for an order approving the deepening of an unorthodox location, located 2390 feet from the North line and 2390 feet from East line of Section 28, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico; said locations being closer to the boundary lines of the units involved than is permitted by general rules and regulations, and in support thereof respectfully state as follows:

1. That said unorthodox location known as the Flynn, Welch and Yates State # 14 well was previously completed to a total depth of 2074 feet on or about the 20th day of May, 1925, prior to the enactment of the Oil and Gas Conservation laws of the State of New Mexico.

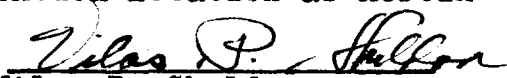
2. That the unit on which said well was drilled is a part of that certain oil and gas lease No. 647, title to which by subsequent assignments has been lodged in Malco Refineries, Inc., Dale Resler d/b/a/ Resler Oil Company, and Martin Yates Jr., as co-owners.

3. That your Petitioners desire to deepen said unorthodox location to a depth of approximately 2900 feet for the reason that the production of said well has been reduced below the economic limit of production and that by deepening said well, your Petitioners can more economically obtain geological information necessary to determine the feasibility of drilling said acreage to said lower depth.

4. That this well (State #14) is to be deepened in lieu of deepening State #19, for which special authority was asked and received in the Commission Hearing held in Santa Fe on February 17th, 1948. The reason for the requested substitution is that in attempting to deepen #19, certain mechanical difficulties were discovered which make the venture inadvisable.

In consideration of the foregoing statements, your Petitioners respectfully request that the Commission give Notice as required by the rules and regulations of the Commission; that a hearing on the matter be held; that the Petitioners be permitted to offer proof of the facts herein stated, and that the Commission make the following finding and order, to wit:

A. That the Commission execute an order authorizing your Petitioners to deepen the unorthodox location as herein stated.


Vilas P. Sheldon
Representative for Petitioners