

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. 132
ORDER NO. 763

THE APPLICATION OF KEWANEE OIL COMPANY
FOR AN ORDER GRANTING PERMISSION TO DRILL
FOUR UNORTHODOX LOCATIONS DESIGNATED AS
WELLS NO. 21B, 22B, 23B and 24B on THAT
PORTION OF ITS PEARL LEASE DESCRIBED AS ALL
OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 32
EAST, N.M.P.M., IN THE MALJAMAR POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10:00 o'clock A.M. April 14, 1948, at Santa Fe, New Mexico before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission".

NOW, on this 28th day of April 1948, the Commission having before it for consideration the testimony adduced at said hearing and being fully advised in the premises:

FINDS:

1. That due public notice having been given as provided by law, the Commission has jurisdiction of this cause.
2. That the acreage involved in the application is federally owned, and the Federal Oil and Gas Supervisor interposes no objections to the application.
3. That by reason of the permeability of the pay horizon in that part of the Maljamar Pool, greater ultimate recovery should be obtained by "five spotting".

IT IS THEREFORE ORDERED that the application of Kewanee Oil Company for an order authorizing four unorthodox locations be and the same hereby is approved as follows:

Township 17 South, Range 32 East, N.M.P.M.
Pearl No. 21B, to be located 2665 feet south
of the north line and 1295 feet west of the
East line (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 25;
Pearl No 22-B, to be located 2665 feet south
of the north line and 2615 feet west of the
East line (NW $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section 25;
Pearl No. 23-B to be located 2665 feet south
of the north line and 1345 feet east of the
west line (NE $\frac{1}{4}$ SW $\frac{1}{4}$) of said Section 25;
Pearl No. 24-B, to be located 1345 feet south
of the north line and 1345 feet east of the
west line (SE $\frac{1}{4}$ NW $\frac{1}{4}$) of said Section 25.

IT IS FURTHER ORDERED that production from any well hereinabove authorized, when added to the production of any existing well in the same unit, shall not be produced in excess of the 40 acre allowable as now, or hereafter may be fixed for the Maljamar pool.

IT IS FURTHER ORDERED that the applicant shall file with the Commission copies of federal location notices for the hereinabove described location, after approval thereof by the Oil and Gas Supervisor.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

CHAIRMAN

John E. Miller

MEMBER

R. L. Spurr

SECRETARY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 997
Roswell, New Mexico
April 1, 1948

Applicant's Exhibit A

Mr. John E. Cochran, Jr.
Carper Building
Artesia, New Mexico

Dear Mr. Cochran:

Reference is made to your letter of March 26 transmitting a copy of an application executed by you on March 26, 1948, for Cochran and Siegenthaler, attorneys for applicant, Kewanee Oil Company, which has been filed with the Oil Conservation Commission of New Mexico for permission to drill four unorthodox well locations in sec. 25, T. 17 S., R. 32 E., N.M.P.M., Maljamar pool, Lea County, New Mexico.

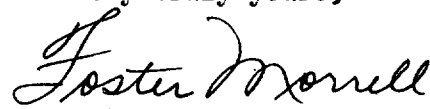
The land involved in the application is embraced in Federal oil and gas lease Las Cruces 058697(b), now operated by Kewanee Oil Company.

The unorthodox well locations set forth in the application are approximately 25 feet from the common intersection of the boundaries of 40-acre legal subdivisions. The application provides that the additional wells are to be considered as constituting the second well on the respective 40-acre tract on which it is located and no additional allowable or unitization of production is requested.

No objection is offered by this office to the well spacing plan providing for the drilling of the additional wells numbered 21-B, 22-B, 23-B and 24-B at four unorthodox locations specified in the application. It is the opinion of this office that the drilling of additional wells should be encouraged to afford opportunity for the greatest ultimate recovery of oil and gas from the presently producing reservoir of the Maljamar pool.

Approval to drill the additional wells at the unorthodox locations will be contingent upon approval of such locations by the Oil Conservation Commission of the State of New Mexico for proration purposes.

Very truly yours,



FOSTER MORRELL,
Supervisor, Oil and Gas Operations.

cc: Mr. Cochran