

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. 145

ORDER NO. 777

THE APPLICATION OF MID-CONTINENT PETROLEUM
CORPORATION OF TULSA, OKLAHOMA, FOR AN
ORDER SUPPLEMENTING COMMISSION ORDER 637 -
THE STATEWIDE PRORATION ORDER (WITH DEEP
POOL ADAPTATION) ESTABLISHING A PROPORTIONAL
FACTOR FOR PRODUCTION FROM DEPTHS IN EXCESS
OF 12,000 FEET, AND RELATING TO THE U. D.
SAWYER NO. 1 DEEP WELL IN SW $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 27,
T.9 S, R.36 E, N.M.P.M., LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing at 10:00 o'clock a.m.,
June 15, 1948 at Santa Fe, New Mexico, before the Oil Conservation Commission
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 12th day of July 1948, the Commission having before it for
consideration the testimony adduced at the hearing of said cause and being
fully advised in the premises;

FINDS:

1. That due public notice having been given in conformity with law,
the Commission has jurisdiction of the case.
2. That applicant's U. D. Sawyer No. 1 well drilled to a depth of
12,255 feet at a cost in excess of \$300,000 - discovery well in the Crossroads
Area, Lea County - came into production May 16, 1948.
3. That pending early hearing on separate petition in the matter of
80-acre spacing and special proration for the Crossroads area, applicant asks
a temporary allowable of 500 barrels of oil per day from May 16 through
August 15, 1948, and no objection thereto being heard:

IT IS THEREFORE ORDERED:

1. That the applicant, Mid-Continent Petroleum Corporation be, and it
hereby is granted a temporary allowable of 500 barrels of oil per day for the
period of May 16 through August 15, 1948 only, for its U. D. Sawyer No. 1
deep discovery well in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of section 27, Township 9 S, Range 36 E.,
N.M.P.M., in the Crossroads pool, Lea County, New Mexico.

IT IS FURTHER ORDERED:

That a copy of this order be filed with the Proration Office in Hobbs,
New Mexico, as authority for any changes or corrections in charges against
the said well.

IT IS ALSO FURTHER ORDERED:

That jurisdiction of this case be retained by the Commission for the purpose of issuing further orders in the premises.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


THOMAS J. MABRY, Chairman


JOHN E. MILES, Member


R. R. SPURRER, Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF MID-CONTINENT PETROLEUM CORPORATION,)
TULSA, OKLAHOMA, FOR SUPPLEMENTAL)
ORDER PROVIDED FOR UNDER SECTION 5,)
ORDER NO. 637, EFFECTIVE MARCH 1, 1946.)

CASE NO. _____

ORDER NO. 777

A P P L I C A T I O N

COMES Now Mid-Continent Petroleum Corporation, a Delaware corporation, authorized to transact business as a foreign corporation in the State of New Mexico, with its principal operating office in Tulsa, Oklahoma, and respectfully represents unto the Oil Conservation Commission of the State of New Mexico that it owns valid and subsisting oil and gas mining leases covering and embracing the East Half ($E\frac{1}{2}$) and the Southwest Quarter ($SW\frac{1}{4}$) of Section 27, and the North Half ($N\frac{1}{2}$) of Section 34, all in Township 9 South, Range 36 East, Lea County, New Mexico; it has within the past week completed an exploratory test well located in the approximate center of the Southwest Quarter ($SW\frac{1}{4}$) of the Southeast Quarter ($SE\frac{1}{4}$) of said Section 27, Township 9 South, Range 36 East, Lea County; that said well has been drilled to a total depth of twelve thousand two hundred fifty-five (12,255) feet; that the top of perforation in the casing is twelve thousand one hundred fifteen (12,115) feet; that, based upon short interval tests during the past few days, applicant believes that the well has an oil producing capacity of nearly four thousand (4,000) barrels per day; that drilling time consumed from time of commencement to time of completion has been approximately eight (8) months; that the cost thereof is estimated to exceed Two Hundred Fifty Thousand Dollars (\$250,000.00); that the well is officially designated as U. D. Sawyer No. 1, and is the original discovery well in what is generally referred to as Crossroads Pool.

Applicant's U. D. Sawyer No. 1 Well, above referred to, is the only well now producing in the Crossroads Pool below a depth of twelve thousand (12,000) feet, and this applicant represents unto the Commission that there are no other such wells in said pool and it is probable that no other wells will be completed in less than six (6) or seven (7) months from this date.

This applicant is informed and believes and so represents that a Proportional Factor has not been established by the Commission for pools producing from a depth range in excess of twelve thousand (12,000) feet in depth under the provisions of Order No. 637, effective March 1, 1946. This applicant respectfully solicits the Commission to so establish such Proportional Factor, in accordance with provision made therefor in paragraph 5 of Order No. 637, as will permit this applicant to produce at least five hundred (500) barrels per day. Such action on the part of the Commission, in the opinion of this applicant, will not in any manner disturb co-relative rights; but will be equitable and fair in all respects.

In support of this application, your applicant respectfully suggests unto the Commission that it give consideration to the fact that as a result of the applicant's operation it is established that the State of New Mexico has petroleum reserves in formations below a depth of twelve thousand (12,000) feet; that in the interest of the State and in the

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interest of the general public encouragement, within reasonable, fair and equitable bounds, should be lent to the end that such reserves be explored and developed to replenish diminishing supplies. We further submit that from an operator's standpoint, hazards, costs, scarcity of material, consumption of time necessary to complete such an operation, are all proper factors for the Commission to consider in an application of this kind.

WHEREFORE, Your applicant respectfully solicits favorable consideration of this application and that the Commission enter its order accordingly.

DONE in Tulsa, Oklahoma, on this 12th day of May, 1948.

Respectfully submitted,

MID-CONTINENT PETROLEUM CORPORATION

By



Vice-President

J. H. CROCKER
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