BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

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CASE NO. 165

ORDER NO. 800

THE MATTER OF THE APPLICATION OF JENKINS AND MC QUEEN FOR ORDER GRANTING PERMISSION TO DRILL UNORTHODOX LOCATION DESIGNATED AS WELL NO. 1 ON THEIR CASSIDY (fee) LEASE, DESCRIBED AS SELSET, SECTION 19, TOWNSHIP 29 NORTH, RANGE 11 WEST, N.M.P.M. IN THE KUTZ CANYON-FULCHER BASIN FIELD OF SAN JUAN COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m. on October 28, 1948, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission."

NOW, on this 19th day of November, 1948, the Commission having before it for consideration the testimony adduced at the hearing aforesaid

FINDS:

1. That the Commission has jurisdiction of the subject matter;

2. That under the provisions of Order No. 748 heretofore issued by the Commission in Case No. 126 fixing 160-acre spacing for wells in the Kutz Canyon-Fulcher Basin Field authority was retained by the Commission to grant exceptions and permit drilling locations under certain conditions, for example, where the tract of land is nonconformable in size or shape;

3. That applicants' tract of land as to shape falls within such exception;

4. That the Federal Supervisor of Oil and Gas interposes no objection to an unorthodox well location along a north-south line 660 feet from the eastwest boundary lines of SE4SE4, NE4SE4, SE4NE4 of section 19, Township 29 South, Range 11 West, N.M.P.M.

5. That drilling of a well on proposed location, if production is had, will promote the interests of conservation by adding to the ultimate recovery of gas from the field.

IT IS THEREFORE ORDERED that effective November 1, 1948, the applicants Jenkins and McQueen, a partnership, be and they hereby are granted permission to drill their Well No. 1 on its Cassidy (fee) lease not less than 990 feet north of the south line and 660 feet west of the east line of SEASEA, NEASEA, SEANEA section 19, Township 29 North, Range 11 West, N.M.P.M. PROVIDED, however, that because of the irregular topography of the land included in said Cadsidy lease, the applicants are hereby granted and allowed a 200-foot location tolerance, and applicant shall forthwith provide the Commission with a surveyor's certificate showing the correct footage information as to actual location of said well;

IT IS FURTHER ORDERED that this well shall be drilled, cased, and completed in conformity with the rules and regulations of the Commission and be subject to inspection of State Oil and Gas Inspector for the San Juan County area.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Hember Member A. C. Specifics Secretary

Secretary

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF JENKINS AND McQUEEN FOR ORDER GRANTING PERMISSION TO DRILL UNORTHODOX LOCATION DESIGNATED AS UELL NO. 1 ON THEIR CASSIDY LEASE, DESCRIBED AS NW/4 NE/4 SE/4 CECTION 19, T.29 N, R.11 W, N.M.P.M. IN THE KUTZ CANYON-FULCHER BASIN HIELD OF SAN JUAN COUNTY, NEW MEXICO

CASE NO. 165

## APPLICATION

C. L. JENKINS and I. R. McQUEEN, a partnership doing business as Jenkins and LcQueen, applicants herein, have their principal office in Blackwell, Oklahoma, and are authorized to do business in the State of New Mexico, and in connection herewith respectfully show to the Cormission:

1. That applicants are the operators of a 160-acre lease of fee lands, being more fully described:

T.29 N, R.11 W S/2 SE/4 section 19 ME/4 SE/4 section 19 SE/4 ME/4 section 19

2. That said lands are within what is designated as the Pictured Cliffs gas producing pool in the Kutz-Canyon-Fulcher Basin area, where the requirement is that no well shall be located on a drilling unit of less than 160 acres, in the shape of a square, except for normal variations in legal subdivisions of the United States Lands Surveys.

3. That although the lease on the above described lands consists of 160 acres, it is not in the shape of a square. However, the property sought to be drilled is located within a then developed portion of the pool and its non-conforming size or shape is due to the adjoining developed properties in the pool.

4. There are only two wells in the section, and both of these were drilled prior to Order No. 748 of the New Mexico Oil Conservation Commission, so that according to Finding H of that Order, a special ruling should be granted. (Plat attached, marked Exhibit "A")

5. That the proposed well will not directly offset any adjoining well.

6. In accordance with Section 1 (c) of Order No. 748, the proposed well is to be located 2310 feet north of the south line and 990 feet west of the east line of section 19, which assures the well will be located 990 feet from the unit boundary.

7. The rig that is assigned to drill this well is being hold up, at considerable expense, pending permission to drill this unorthodox location.

8. That if not allowed to drill, the petitionar will lose all value or yes from the 160 acres, since they hold no adjoining acreage to combine into a 160there square.

9. That the drilling of a well in the proposed location will promote the interests of conservation by adding to the ultimate gas recovery from the lease.

WHEREFORE, petitioner respectfully requests that it be granted permission to drill a well for oil and/or gas at the location above set forth, and that a date be set for hearing this petition; and that all proper orders be made in the premises.

JENKINS AND MOQUEEN /3/C. L. Jenkins, Pantner