BEFORE THE OIL CONSERVATION CONDISSION 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. 185 ORDER NO. 821

THE APPLICATION OF BUFFALO OIL COMPANY FOR AN ORDER GRANTING PERMISSION TO DRILL UNORTHODOX LOCATION, DESIGNATED AS WELL NO. 21-A ON THAT PORTION OF ITS BAISH "A" LEASE, DESCRIBED AS NE/4 OF SW/4 OF SECTION 21, TOWNSHIP 17 SOUTH, RANGE 32 E., N.M.P.M., IN MALJAMAR FIELD, LEA COUNTY, NEW MEXICO, AND FOR PERMISSION TO PLUG BACK WELL NO. 15-A, ON THE SAME FORTY ACRE LEGAL SUBDIVISION AND PRODUCE IT FROM THE YATES SAND.

# ORDER OF THE COMMISSION

## BY THE COMMISSION:

This matter came on for hearing at 10 o'clock A.M. on the 5th day of May 1949 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 13th day of May, 1949, 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 Supervisor of the United States Geological Survey interposes no objections to the Application.

3. That the lease covering the following described land is owned by Buffalo Oil Company:

BAISH "A" LEASE, Las Cruces Serial No. 029503(a) described as N/2, SN/4 and N/2 SE/4 Section 21; and W/2 NW/4 Section 22, Township 17 South, Range 32 East, N.M.P.M.

4. That said tract hereinabove described is located in what is known as the Maljamar Pool of Lea County, New Mexico and that said lease covering the land hereinabove described is within the boundaries of and has been committed to the Maljamar Cooperative Repressuring Agreement.

5. That Well No. 15-A located in the NE/4 of the SW/4 of Section 21, Township 17 South, Range 32 East, N.M.P.M. was completed as a producing well in the Maljamar Pay on September 27, 1942. That in the completion of this well, tools were lost in the hole thereby causing a poor completion on this well. That in the drilling of Well No. 15-A, substantial showings of oil were encountered in the Yates Sand at an approximate depth of 2550 feet. That applicant should be permitted to either abandon or plug back said Well No. 15-A to the Yates Sand, and complete said well as a producing well in the Yates Sand if applicant so desires. 6. That a well drilled in the NE/4 of the SW/4 of said Section 21 to be located twenty-five feet North and twenty-five feet East of the Southwest corner of the NE/4 of SW/4 of said Section 21 to the Maljamar Pay, in all probability would be capable of producing substantial quantities of oil and that the drilling of said well at this location would be in the interest of conservation and would prevent waste, in that the drilling of said well would enable Applicant to recover substantial quantities of oil which would not otherwise be recovered.

### IT IS THEREFORE ORDERED:

That the application of Buffalo Oil Company for an order granting permit to drill one unorthodox "five spot" location to be drilled to the Maljamar Pay, be, and the same hereby is granted and approved. The number and location of said well to be drilled, being as follows:

BAISH WELL NO. 21-A, to be located 25 feet north and 25 feet east of the southwest corner of the NE/4 of SW/4 of Section 21, Township 17 South, Range 32 East, N.M.P.M.

# IT IS FURTHER ORDERED:

That the application of Buffalo Oil Company for permission to plug back Baish Well No. 15-A from the Maljamar Pay to the Yates Sand be and the same is hereby granted and approved, provided, however, that Buffalo Oil Company shall not be obligated to plug said well back to the Yates Sand, but failing to do so shall abandon said Well No. 15-A and cease producing oil from said Well No. 15-A from the Maljamar Pay upon the completion of Baish Well No. 21-A, located on the same 40 acre legal subdivision.

### IT IS FURTHER ORDERED:

That production from Well No. 15-A if the same is plugged back and completed as a Yates Sand Well, when added to the production of any existing Yates Sand wells located upon the same 40 acre legal subdivision shall not be produced in excess of the 40 acre allowable, as now, or as may hereafter be fixed by the Commission for Yates Sand Wells.

## IT IS FURTHER ORDERED:

That Well No. 21-A hereinabove authorized shall be produced in accordance with the Allocation of Production Plan in effect and applicable to leases committed to the Maljamar Cooperative Repressuring Agreement, producing from the Maljamar Pay.

IT IS FURTHER ORDERED:

That the applicant shall file with the Commission copy of Federal Location Notice for the hereinabove described location for approval thereof by the Oil and Gas Supervisor.

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

STATE OF NEW MEXICÓ OIL CONSERVATION COMMISSION THOMAS CHAIRMAN GUY SHE PARD, MEMBER marle SPURRIER, SECRETARY R. R.