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. 200 ORDER NO. 848

THE APPLICATION OF WORTH DRILLING COMPANY, INC. FOR AN ORDER AUTHORIZING AN UNORTHODOX LOCATION FOR THE A. C. TAYLOR WELL NO. 7A, 25 FT. NORTH OF THE SOUTH BOUNDARY AND 1295 FT. EAST OF THE WEST BOUNDARY (SW/4) OF SECTION 12, TOWNSHIP 18 SOUTH, RANGE 31 EAST, N.M.P.M., IN THE NORTH SHUGART POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

This matter came on regularly for hearing at 10:00 o'clock A.M. on the 22nd day of November, 1949 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission".

NOW on this 27th day of December, 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 required by law, the Commission has jurisdiction of this case.

2. That the acreage involved is Federally owned and the Supervisor of the United States Geological Survey interposes no objection to the proposal after applicant executes and files a non-segregation stipulation.

3. That applicant has officially filed said non-segregation stipulation.

4. That heretofore there has been drilled to the ("red sand") four producing wells upon the SW/4 of said Section 12, Township 18 south, Range 31 east, N.M.P.M.

5. That a fifth well 25 ft. north of the south boundary and 1295 ft. east of the west boundary of said Section 12 in all probability would cause recovery of oil that otherwise might not be recovered.

IT IS THEREFORE ORDERED that the application of Worth Drilling Company, Inc. for an order authorizing the drilling of a fifth well, 25 ft. north of the south boundary and 1295 ft. east of the west boundary (SW/4) of Section 12, Township 18 south, Range 31 East, N.M.P.M. in the North Shugart pool, Eddy County. New Mexico. be and the same hereby is approved. PROVIDED HOWEVER that the production from the five wells shall be prorated and never produced in excess of the allowable for four 40-acre units within the North Shugart pool, Eddy County, New Mexico, and,

PROVIDED FURTHER that a non-segregation stipulation satisfactory to the Supervisor of the United States Geological Survey is filed with the Commission.

DONE at Santa Fe, New Mexico on the date hereinabove designated.

STATE OF NEW MEXICO OF CONSERVATION COMMISSION

THOM CHAIRMAN MOBRY.

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GUY SHEPARD, MEMBER

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R. R. SPURRIER, SECRETARY