Case 56 7

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)	
AMERADA PETROLEUM CORPORATION FOR)	
THE ESTABLISHMENT OF PRORATION UNITS)	CASE NO.
AND UNIFORM SPACING OF WELLS IN THE)	
KNOWLES POOL IN LEA COUNTY. NEW MEXICO.)	

APPLICATION

COMES NOW Amerada Petroleum Corporation and alleges and states:

- 1. That this Commission has heretofore entered its Order No. R-40 establishing 80-acre proration units and uniform spacing of wells in the Knowles Pool, Lea County, New Mexico, wherein the N/2 SE/4 of Section 34, T-16-S, R-38-E, Lea County, New Mexico, constituted a single proration unit with the authorized well location to be in the center of the NW/4 SE/4 of said Section 34.
- 2. That Applicant has heretofore drilled, plugged and abandoned on January 27, 1953, a dry hole drilled to the Devonian formation in said pool at the location prescribed by the spacing order referred to.
- 3. That in order to prevent waste and protect the correlative rights of all parties in the Knowles Pool and so that all royalty owners may recover their just and equitable share of the oil and gas in said common reservoir, Applicant should be given an exception to said spacing order authorizing it to drill a well into said common source of supply located in the center of the NE/ $\frac{1}{4}$ SE/ $\frac{1}{4}$ of Section 3 $\frac{1}{4}$, T-16-S, R-38-E, and the allowable for said well be determined by the Commission.
- $\mbox{$\mathbb{L}$}$. Applicant believes and therefore alleges that a well drilled in the Knowles Pool at the location herein requested will produce oil and gas in commercial quantities.

WHEREFORE, Applicant respectfully requests that this application be set for hearing and that notice be given as required by law, and that upon the conclusion of said hearing the Commission enter its order granting an exception to the spacing order referred to above and authorizing Applicant to drill a well to the producing formation of the Knowles Pool in the center of the NE/ μ SE/ μ of Section 3 μ , T-16-S, R-38-E, and determining the allowable for said well in the interest of the prevention of waste and the protection of the correlative rights of all interested parties, and for such further relief to which Applicant may be entitled.

Dated this 29th day of July, 1953.

AMERADA PETROLEUM CORPORATION

By R. S. Christie