



# STANDARD OIL COMPANY OF TEXAS

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September 3, 1959

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New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Secretary and Director

Gentlemen:

Attached is the Application of Standard Oil Company of Texas for an exception to Order No. R-1417, special rules for the Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to permit drilling the Standard Oil Company of Texas' J. H. Everest et al Unit 2 Well No. 1 at a location, 1850 feet from the south line and 1650 feet from the east line, Section 14, T-18-S, R-26-E.

It is requested that this application be set for examiner hearing at a time and place convenient to the Commission.

Also attached is a map of the area indicating the location of the wells in the Atoka-Pennsylvanian Gas Pool. Standard Oil Company of Texas' acreage is colored in yellow.

Yours very truly,

  
C. N. Segnar, Chief Engineer

RLMc:ja

Attachments

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*25-51-6*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

APPLICATION OF STANDARD OIL COMPANY  
OF TEXAS FOR AN UNORTHODOX GAS WELL  
LOCATION IN THE ATOKA-PENNSYLVANIAN  
GAS POOL, EDDY COUNTY, TEXAS, EXCEPTION  
TO THE SPACING REQUIREMENTS FOR SAID  
POOL AS PROMULGATED BY ORDER NO. R-1417.


N. M.

A P P L I C A T I O N

In support of the application, the applicant, Standard Oil Company of Texas, submits the following:

1. The applicant is owner of oil and gas leases and has the right to produce gas and condensate from the Pennsylvanian formation, source of supply of the Atoka-Pennsylvanian Field, underlying the NE/4 and W/2 of SE/4 and SE/4 of SE/4, Section 14, T-18-S, R-26-E, Eddy County, New Mexico
2. Negotiations are in progress with the Hondo Oil and Gas Company, owner of oil and gas leases in the NE/4 of SE/4 of Section 14, to form a 320 acre gas unit consisting of the E/2 of Section 14, T-18-S, R-26-E. Drilling of a well on the proposed unit will not commence until the unit agreement is completed.
3. Order No. R-1417, by this Commission, adopted temporary rules and regulations for the Atoka-Pennsylvanian Gas Pool, providing for 320 acre units comprising any two contiguous quarter sections of a single section and wells located in the northwest quarter or southeast quarter and located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to the quarter-quarter section line.
4. The spacing exception is necessary to permit drilling the Standard Oil Company of Texas' J. H. Everest et al Unit 2 Well 1 at a location 1850 feet from the south line and 1650 feet from the east line of Section 14, T-18-S, R-26-E. A location 1650 feet from the south line and 1650 feet from the east line would comply with the field rules, but the National Drilling Company's Everest No. 1 well, an Atoka Field well, is completed at the latter location. Therefore, the exception is requested to permit drilling the subject well 200 feet north of the National Drilling Company's Everest No. 1 to avoid the possibility of encountering this well during drilling operations.
5. The proposed location of the Standard Oil Company of Texas' J. H. Everest et al Unit 2 Well No. 1 would permit the efficient drainage of the 320 acre drilling unit and would not adversely affect the correlative rights of the interested parties in the pool.

STANDARD OIL COMPANY OF TEXAS

  
By C. N. Segnar, Chief Engineer