

Case 2330

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SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
TELEPHONE DAVIS 5-0203

June 13, 1961

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Re: Application of Southwest Production Company for unorthodox well location in the NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 16, Twp. 29 N., R. 14 West, in San Juan County, New Mexico
(My file #1320-L)

Gentlemen:

Enclosed herewith is the original, together with two (2) copies, of an application by Southwest Production Company for an unorthodox well location in the Cha-Cha Gallup Oil Pool in San Juan County, New Mexico, such location being in the NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 16, Twp. 29 N., R. 14 West, N.M.P.M., in San Juan County, N. M.

This application may be heard before the Trial Examiner.

By copy of this letter, other interested parties are being furnished a copy of the enclosure.

Yours very truly,

Geo. L. Verity
Geo. L. Verity

lm

cc: Southwest Production
Candado Production Company
Pan American Petroleum Corp.
1 encl, each

*Docker
M. 6-21-61*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF -

THE APPLICATION OF SOUTHWEST PRODUCTION)
COMPANY, a co-partnership consisting of)
JOHN H. HILL and JOSEPH P. DRISCOLL,)
FOR AN UNORTHODOX WELL LOCATION IN THE)
CHA-CHA GALLUP OIL POOL IN SAN JUAN)
COUNTY, NEW MEXICO, SUCH LOCATION BEING)
IN THE NORTHWEST QUARTER OF THE SOUTH-)
EAST QUARTER (NW $\frac{1}{4}$ SE $\frac{1}{4}$) of SECTION 16,)
TOWNSHIP 29 NORTH, RANGE 14 WEST, N.M.P.M.,)
SAN JUAN COUNTY, NEW MEXICO.)

Case No. 2330

A P P L I C A T I O N

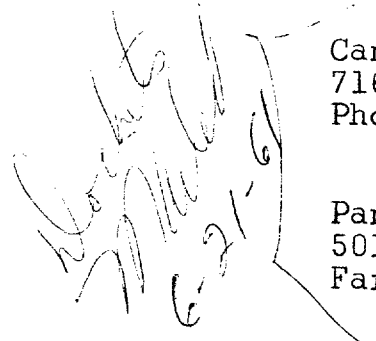
Comes now the applicant, SOUTHWEST PRODUCTION COMPANY, a co-partnership consisting of John H. Hill and Joseph P. Driscoll, and alleges and states:

1. That applicant is the owner of the oil and gas lease covering the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 29 North, Range 14 West, N.M.P.M., in San Juan County, New Mexico; that said land is a part of the Cha-Cha Gallup Oil Pool in the above described County and State.

2. That Order No. R-1800 promulgated by this Commission provided that each well completed in the above described pool should be located within 150 feet of the center of either quarter-section in an 80-acre unit, but surface conditions in the SE $\frac{1}{4}$ of the above described Section 16 make it impracticable to locate a well within 150 feet of the center of said quarter, and because of such surface hazards and conditions, applicant desires to drill a well in said quarter-section at a location 1912 feet from the South line of said Section 16, and 2310 feet from the East line of said Section.

3. That applicant is entitled to an Order of this Commission granting it permission to drill a well at the location described in the preceding paragraph. That to deny applicant permission to drill such well at a non-standard location, as indicated, would interfere with its correlative rights and cause waste, whereas the granting of permission to drill at the location requested will protect the correlative rights of the parties and prevent waste.

4. That the names and addresses of all parties known to the applicant who might be interested in this application are as follows:

 Candado Production Company,
716 First National Bank Bldg.,
Phoenix, Arizona;

Pan American Petroleum Corporation,
501 Airport Drive,
Farmington, New Mexico.

WHEREFORE, applicant prays that this application be set for hearing, that due notice be given in accord with the Rules of this Commission and the laws of the State of New Mexico; that upon hearing such application and from the evidence to be adduced, the Commission enter an Order granting applicant the right to drill a well into the Cha-Cha Gallup Oil Pool at the unorthodox location above described.

SOUTHWEST PRODUCTION COMPANY,
a co-partnership, consisting of
John H. Hill and Joseph P. Driscoll,

By


(Geo. L. Verity)

Attorney for Applicant
152 Petroleum Center Bldg.
Farmington, New Mexico