GMA S. P. YATES OIL OPERATOR AND PRODUCER NS 1-19-70 12-29-69 MANNE 12-29-69

DEC 29 1969

YATES BUILDING - 207 SOUTH 4TH STREET ARTESIA, NEW MEXICO - 88210

December 23, 1969

Mr. A. L. Porter, Secretary-Director New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

> Re: Authority for Unorthodox Location, McMillan West Pool Eddy County, New Mexico West McMillon Alesen Reisen - Queen Pool

Dear Sir:

Application is hereby submitted for administrative approval to allow exception to the well location requirements of Rule 104-C of the Oil Conservation Commission Rules and Regulations. This application is made under provisions of Section D of said Rule 104 and is based on topographical conditions.

The drilling tract is the South half of the Northwest quarter, Section 12, Township 20 South, Range 26 East, West McMillan Seven Rivers Queen Pool, Eddy County. Drill site is 2400 feet from the North and West lines of the Section. An Ordinance of the U. S. Bureau of Reclamation prohibits drilling within a half-mile of the Lake McMillan Levee, and this location will be approximately 2670 feet from the levee. Lease ownership plat and topographic map are attached showing the proposed drill site, to be known as Anderson #5, and seeking Queen production at about 600 feet.

This development program is to be an extension to the S. P. Yates Anderson Pressure Maintenance Program authorized by Order No. R-3852, Case No. 4225 of the Oil Conservation Commission dated October 14, 1969, and is submitted in the interest of ultimate recovery of oil in place and to prevent loss or waste of the natural resources. The program will be extended to the offsetting leases. New Mexico Oil Conservation Commission December 23, 1969 Page two

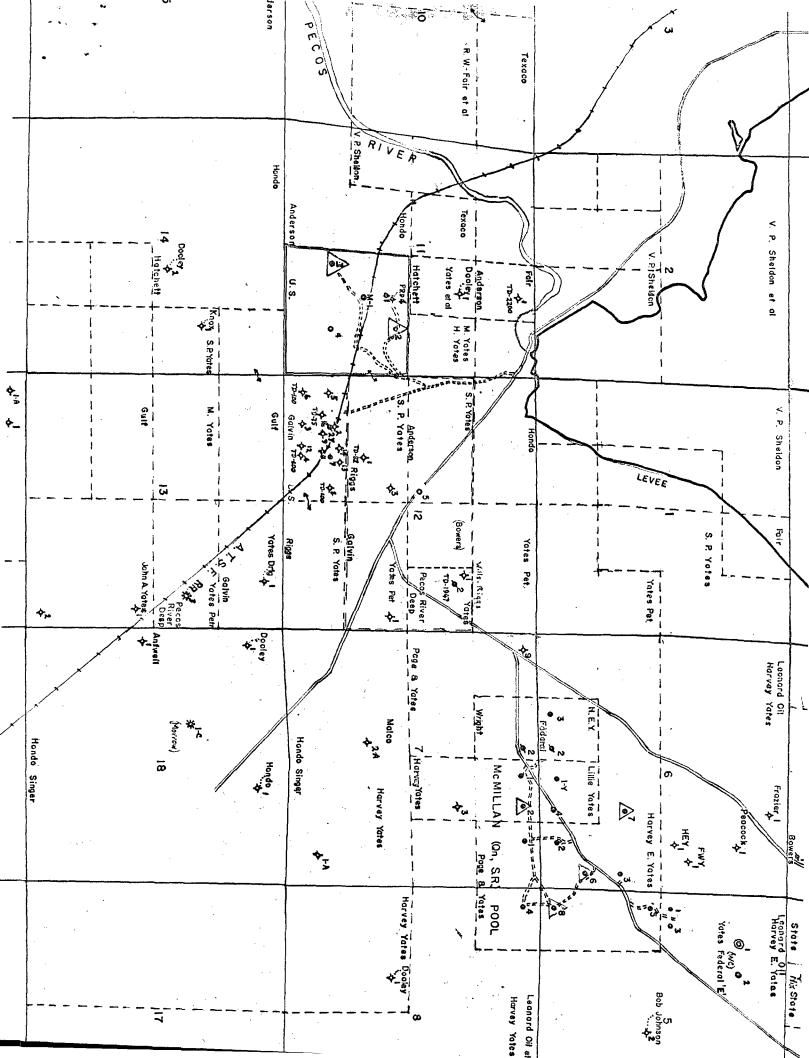
As operator of the offsetting Riggs and Galvin leases, I waive objections to the unorthodox location.

Yours very truly,

S. P. Yates

SPY/cp Encl.

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UNITED STATES PARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

