

Feb 16

DALPORT OIL CORPORATION
930 FIDELITY UNION LIFE BUILDING
DALLAS, TEXAS

W. L. TODD, PRESIDENT
W. L. TODD, JR., VICE-PRES.

January 13th, 1955.

RANDOLPH 3114
RANDOLPH 2717

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

RE: Request for hearing
Exception to Rule 303
New Mexico Oil Conservation
Commission Rules and Regulations.

E. C. Winters "B" Lease
SW $\frac{1}{4}$ Section 7, T25S, R37E,
Lea County, New Mexico.

Gentlemen:

Application is herewith submitted for a hearing covering captioned lease and subject. The exception to Rule 303 is requested which prohibits the commingling of oil so that Operator may commingle oil from what will be an oil well in the Jalmat Gas Field from his E. C. Winters B-1 with oil expected to be produced from the Cooper-Jal Pool from his E. C. Winters B-3.

The E. C. Winters B-1 located 660' from the South and West lines of Section 7, T25S, R37E, Lea County, New Mexico, was completed July 18th, 1951, at a total depth of 3054', producing oil from the Yates Section. The well was fractured in open hole from 2871' to total depth. The well potential was for 423 BOPD but rapidly declined to seven barrels of oil per day by December 1954. In January 1955 we refractured this well with 10,000 gallons of sand-oil in open hole and on the last test the well was flowing at a rate of 63 barrels of oil per day. It is anticipated that this production will decline rapidly to cause this well to be of marginal class in a short time.

2310' from - 660' from
We propose to drill what will be known as our E. C. Winters B-3 at a location 2310' from the South line of Section 7, T25S, R37E, Lea County, New Mexico, to a total depth of approximately 3350' and set production casing at about 3250'. The production from this well will be from the Queen formation. This location is offset to the South by a marginal Queen well and to the East by a top allowable Queen well.

There is no horizontal division of the lease above the deepest horizon to be drilled so that inaccuracies of measurement would not result in erroneous royalty or overriding royalty payments.

DALPORT OIL CORPORATION
930 FIDELITY UNION LIFE BUILDING
DALLAS, TEXAS

W. L. TODD, PRESIDENT
W. L. TODD, JR., VICE-PRES.

RANDOLPH 3114
RANDOLPH 2717

Page 2

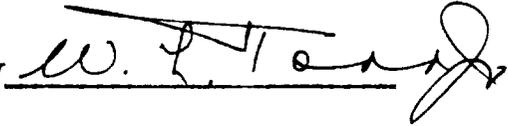
By granting exception to the rules heretofore mentioned Dalport Oil Corporation can be relieved of an unnecessary expenditure of approximately \$5,000.00 to build a separate tank battery for its E. C. Winters B-3.

If this permission is granted Dalport Oil Corporation will make periodic checks to ascertain production from each well and divide said production for proration purposes.

Respectfully submitted,

DALPORT OIL CORPORATION

By

A handwritten signature in cursive script, appearing to read "W. L. Todd", is written over a horizontal line. The signature is positioned to the right of the word "By".

WLTJr:wm
Encl-