



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

August 4, 1970

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. Edward T. Franks
Operation Superintendent
Box 131
Cuba, New Mexico

Dear Mr. Franks,

I have your letter of August 3, 1970 along with a copy of Form C-103 containing information relative to your #1 Greathouse well. Also received were three copies of Form C-102, well location and acreage dedication plat showing the corrected location as resurveyed. Presuming that this is a standard section, the location with respect to the quarter quarter lines of the forty acre tract would be 384 feet from the west line and 288 feet from the south line.

Our rules require that a wildcat oil well be located no nearer than 330 feet to the quarter quarter section line. Your location is therefore non-standard and in the event production is secured it will be necessary for you to make application to the Oil Conservation Commission to set a hearing to consider approval of your location. This approval must be secured prior to selling any production from the well. We will however allow you to continue drilling subject to the above condition. The location is also non standard with respect to gas well spacing and the same procedure would be required prior to the sale of gas from the well.

I am returning Form C-103 which you have submitted and requesting that you indicate the number of sacks of cement used in cementing the surface casing. Also please indicate whether or not cement has circulated to the surface. This form should be submitted in triplicate.

If you have any further questions concerning our regulations or we can assist you in any way please contact us.

Yours very truly,

Emery C. Arnold
Emery C. Arnold
Supervisor, Dist #3

ECA/m

cc N. M. O. C. C. - Santa Fe, N. M.