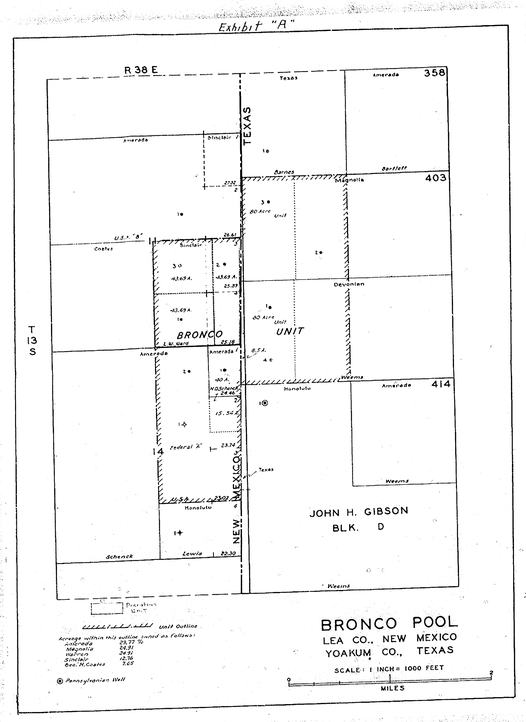
Case No.

665

Large Exhibits

Exhibit "A"



[illegible] 2.2.1 (3)

[illegible]

PETROLEUM OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF AMERICAN PETROLEUM CORPORATION
FOR THE ESTABLISHMENT OF THREE PRORATION
UNITS IN THE BRONCO POOL, LEA COUNTY, NEW
MEXICO, ALL CONSISTING OF THE EAST 320
ACRES OF THE WEST HALF OF SECTION 14,
TOWNSHIP 13 SOUTH, RANGE 38 EAST, N.M.P.M.

CASE NO. [illegible]

COMES NOW American Petroleum Corporation and alleges and states:

(1) That it is the owner of all and the leases covering the S½N of Section 14, Township 13 South, Range 38 East, Lea County, New Mexico.

(2) That the east line of said quarter section coincides with the boundary line between New Mexico and Texas, and because of the adjustment of the survey on the east line, this quarter section contains only 320 acres.

(3) That applicant has heretofore completed its Hard Fa Well, located approximately 660 feet from the south and west line of said quarter section, and its Hard Fa Well, located approximately 660 feet from the north and 990 feet from the east line of said quarter section; and applicant is presently drilling its Hard Fa Well 660 feet from the north and west line of said quarter section.

(4) That each of these wells is an oil well in the Bronco Field, Lea County, New Mexico.

(5) That because of the size and shape of said quarter section, four separate proration units substantially in the form of a square cannot be established in said quarter section and all three of said units cannot be located on 40 contiguous surface acres in the form of a square within said quarter section.

(6) That establishment of three proration units in said quarter section, consisting of the east 93.40 acres and the north and south 93.40 acres of the west half of said quarter section, as shown on a plat marked Exhibit "A", attached hereto and made a part hereof, will secure to applicant the full value of its wells in said quarter section and will not result in waste or injury to correlative rights.

WHEREFORE, applicant respectfully requests that this matter be set down for hearing and that the proration units proposed herein be established.

DATED this 3 day of February, 1954.

AMERICAN PETROLEUM CORPORATION

By John A. Woodward
JOHN A. WOODWARD,
Its Attorney