

NEW YORK OFFICE
630 FIFTH AVENUE
NEW YORK 20, N.Y.

AUSTRAL OIL EXPLORATION COMPANY

INCORPORATED

SAN JACINTO BUILDING

HOUSTON 2, TEXAS

October 3, 1956

NSR-63
TELEPHONE
CAG-9461

Issued 10/5/11

REC OCT 15 PM 2:40

Nex Mexico Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Secretary-Director

Re: State "B" Lease E-9116 Well #2
East Townsend Prospect
Lea County, New Mexico
(DB 56-4)

Gentlemen:

Under provisions of Paragraph F, rule 104, application is hereby made for administrative exception to Paragraph C, rule 104, "Well Spacing", as revised by Order No. R-855.

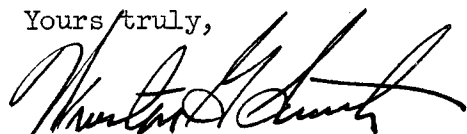
Attached is a certified plat of the location for the State "B" No. 2 well. Also attached is a plat of the surrounding area which shows the location of the well with respect to the runways of the Lea County, New Mexico, Air Port. Austral Oil Exploration Company Incorporated leases are shown in yellow.

It is further stated that:

1. The necessity of the unorthodox location is based on topographic conditions of the Air Port runways.
2. Austral Oil Exploration Company Incorporated owns all of the oil and gas leases within 660' on the North, the East, and South of the well. Cabot Carbon Company owns the lease to the immediate West of the well, and Austral's No. "B"-2 well is 430.6' from Cabot Carbon Company's lease.
3. Attached is a copy of a letter forwarded by registered mail to the Cabot Carbon Company advising them of Austral's intent to drill an unorthodox location.

If there is any further information which you require, please let us hear from you.

Yours truly,



Winston G. Smith
Division Engineer

WGS:fb

1-165-358

NEW MEXICO
OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Date September 15, 1956

Operator Austral Oil Exploration Co., Inc. Lease State of New Mexico "B"

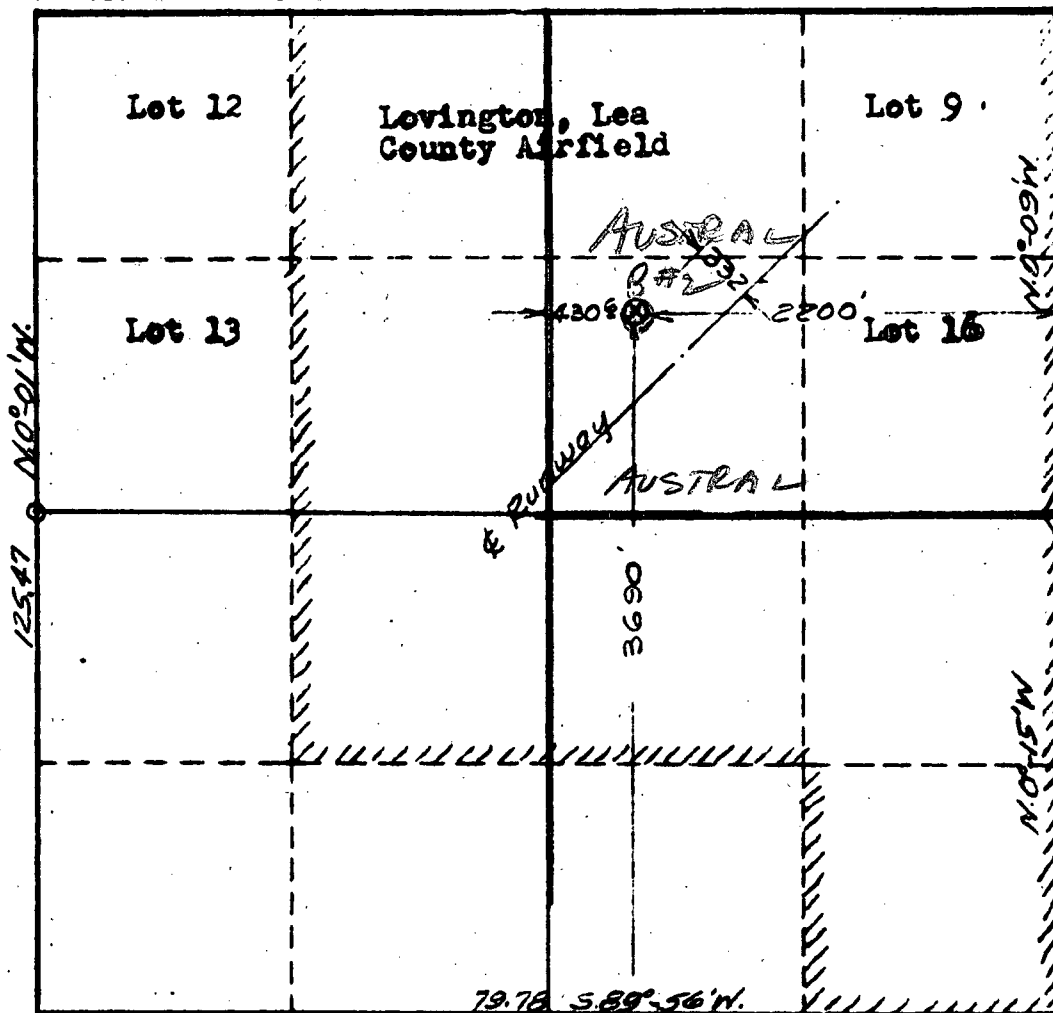
Well No. 2 Section 1 Township 16 South Range 35 East NMPM

Located 3690 Feet From South Line, 2200 Feet From East Line,

Lea County, New Mexico. G. L. Elevation 3973.5

Name of Producing Formation _____ Pool _____ Dedicated Acreage _____

(Note: All distances must be from outer boundaries of Section)



LEGEND:

- ⊗ Staked Well Location
- Std. GLO BC Corner
- ◇ Std. GLO Reck Corner

1. Is this Well a Dual Comp.? Yes ☐ No ☐
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage? Yes ☐ No ☐

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Name _____
Position _____
Representing _____
Address _____

Date Surveyed September 14, 1956

John W. Graham
Registered Professional Engineer and/or
Land Surveyor License No. 1559

NSP LETTER

MAIN OFFICE OCC OIL CONSERVATION COMMISSION

1956 OCT 15 AM 10:02

BOX 2045

HOBBS, NEW MEXICO

Date Oct. 10, 1956

revised 10/5/56

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP _____
Proposed NSL 63

Gentlemen:

I have examined the application dated 10/5/56
for the Austral Oil Expl. Co., Inc. State "B" #2 1-16-35
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

O.K.---C.R.

O.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Lueder
Engineer

NEW YORK OFFICE
630 FIFTH AVENUE
NEW YORK 20, N. Y.

AUSTRAL OIL EXPLORATION COMPANY

INCORPORATED
SAN JACINTO BUILDING
HOUSTON 2, TEXAS

TELEPHONE
CA 8-9481

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Cabot Carbon Company
Box 1101
Pampa, Texas

Attention: Mr. Walter F. G. Stein

Re: State "B" Lease Well #2 (E-9116)
East Townsend Field
Lea County, New Mexico
(DB 56-4)

Gentlemen:

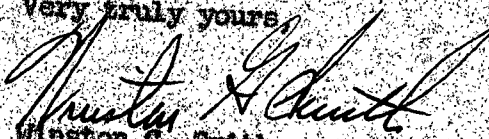
Austral Oil Exploration Company Incorporated has made application to the New Mexico Oil Conservation Commission to drill a well to be located 3690' from the South line and 2200' from the East line of Section 1, T16S, R35E, Lea County, New Mexico. This location is 430.6' East of the West boundary of leases held by Austral in the East one-half of Section 1.

Rule 104 (c), "Well Spacing", requires that location be within 330' of the boundary of a tract of approximately 40 acres. Because of the topographic conditions of the Lea County Air Port runways, it has been necessary to place the above described location less than 330' from the North boundary of the approximately 40 acre tract.

Austral Oil Exploration Company Incorporated is further making application to the New Mexico Oil Conservation Commission for administrative exception to Rule 104 in that the necessity for the unorthodox location is based on the topographic location of the Air Port runways.

This letter is written to advise you, as an offset operator, of Austral's intention to drill an unorthodox location. If you have any questions or any objection to the location, would you please advise us at your earliest convenience.

Very truly yours,


Winston G. Smith
Division Engineer

WGS:rb

cc: New Mexico Oil Conservation Commission, Hobbs, N. M.
New Mexico Oil Conservation Commission, Santa Fe, N. M.

COPY

MAIN OFFICE

CABOT CARBON COMPANY

BOX 1101

PAMPA, TEXAS

1955 OCT 15 AM 11:35 35454

October 10, 1956

Austral Oil Exploration Company
San Jacinto Building
Houston 2, Texas

Attention: Mr. Winston G. Smith

Re: State "B" Lease Well #2
(E-9116) East Townsend
Field, Lea County, New
Mexico (DB 56-4)

Gentlemen:

Cabot Carbon Company, as offset operator, has no objections
to your proposed location 3690' from the South line and 2200'
from the East line of Section 1, T16S, R35E, Lea County, New
Mexico.

Very truly yours,

G. M. Martin

G. M. Martin

GMM:hh

cc: New Mexico Oil Conservation Commission, Hobbs, New Mexico
New Mexico Oil Conservation Commission, Santa Fe, N. M.
T. L. Stall, Cabot Carbon Co., Midland, Texas
Walter Stein, Cabot Carbon Co., Pampa, Texas