BEFORE the OIL CONSERVATION COMMISSION of the STATE OF NEW MEXICO

Comes now the TWO STATES OIL COMPANY, a Texas
Corporation, authorized to do business within the State
of New Mexico and states:

That heretofore on September 11, 1935, it transmitted Notice of Intention to Drill a well to be known as Two States Oil Company, J. W. Morris No. 1, in Section 21, Township 18 South of Range 38 East, N. M. P. M., Hobbs Field, Lea County, New Mexico, at a location 200 feet north of the south line and 1220 feet west of the east line of said Section 21, said notice having been filed with this Commission on September 13, 1937.

The location set forth in said notice of intention to drill is closer than 330 feet to the lease or property line adjoining the lease of the Two States Oil Company, which said lease is described as the SE4SE4 Sec. 21, Twp. 18 S., Rge. 38 E., N.M.P.M., and by reason thereof your petitioner requests the Honorable Oil Conservation Commission of the State of New Mexico to set a date for hearing upon said application in accordance with the rules and regulations in force in the State of New Mexico.

In support of this petition for such hearing, your petitioner, the said Two States Oil Company, respectfully shows:

That a necessity exists for this special location due to the right-of-way of the Texas and New Mexico Railroad, which is a division of the Texas and Pacific Railroad and the right-of-way of State Highway No. 18, the two aforesaid

right-of-ways extending across the forty acre lease of your petitioner in a northwest, southeast direction so that the location requested is the fartherest location accessible from the lease adjoining the Two States Oil Company lease to the west and south.

WHEREFORE, your petitioner prays that a hearing be set at an early date and that due notice of this application and petition for the granting of an irregular location and a hearing thereon be published in accordance with the rules and regulations of this Honorable body.

Dated at Santa Fe, New Mexico, this 16th day of September, 1937.

Respectfully submitted,

TWO STATES OIL COMPANY

By Human Cone

Attorney and Agent.

Roswell, N. Musico.