Case 909

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

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RE: APPLICATION OF TEXAS TRADING CO., INC. FOR ADMINISTRATIVE APPROVAL TO DRILL A WELL AT A NON-STANDARD LOCATION.

COMES NOW Texas Trading Co., Inc., by Neil B. Watson, its attorney, and makes application to the New Mexico Oil Conservation Commission for administrative approval of a nonstandard well location, and makes the following statements: -

- That the complete legal description of the acreage involved is the SW# of Section 29, Township 16 South, Range 31 East, N.M.P.M., in Eddy County, New Mexico, which is Government Oil and Gas Lease Las Cruces 060723.
- That the location and names of the wells on said lease are as follows:

Texas Trading Co., Inc. No. 1 Well, SW\(\frac{1}{4}\)SW\(\frac{1}{4}\)Swtin Section 29, Township 16 South, Range 31 East, N.M.P.M.

Texas Trading Co., Inc. No. 2 Well, SEtSWt Section 29, Township 16 South, Range 31 East, N.M.P.M.

Texas Trading Co., Inc. No. 3 Well, NW+SW+ Section 29, Township 16 South, Range 31 East, N.M.P.M.

Texas Trading Co., Inc. No. 4 Well, NE+SW+ Section 29, Township 16 South, Range 31 East,

That Texas Trading Co., Inc., owner of said lease, desires to drill a well 1345 feet from the south line of said autid on Section 29, Township 16 South, Range 31 East, N.M.P.M., and May 17,1751345 feet from the west line of said Section 29, Township 16 South, Range 31 East, N.M.P.M., which said well will be located in the NELSWL of said Section 29, Township 16 South, Range 31 East, N.M.P.M., where the No. 4 Well is presently producing.

That said No. 4 Well is now producing approximately ten (10) barrels per day, and this Application is not made for any additional allowable, but Texas Trading Co., Inc. desires to drill said additional well in order to more adequately drain the 160 acre lease described as the SW1 of Section 29, Township 16 South, Range 31 East, N.M.P.M., by drilling a well near the center of said 160 acre tract; and the information received by Texas Trading Co., Inc. is that, due to the tightness of the formation, such additional well would be advantageous in order to obtain a greater production of oil from said lease. That Texas Trading Co., Inc. intends to drill said well to the bottom of the San Andreas Formation found in the area and, in drilling said well, Texas Trading Co., Inc. also desires to drill said well to test methods of completion which were not in use in the industry at the time the original four wells were drilled, such as sandfracting or other methods to increase production.

- 4. For all of the foregoing reasons, Texas Trading Co., Inc. requests the consideration by the Commission of its request for this non-standard location, and requests administrative approval be granted as soon as possible.
- 5. That said well will not be located within the distance from the boundary line of any adjoining lease owner so as to require notice or consent of any adjoining lease owner, inasmuch as Texas Trading Co., Inc. is the owner of the entire lease interest under the said SW¹ of Section 29, Township 16 South, Range 31 East, N.M.P.M.
- 6. That the owners of the oil and gas leases offsetting said 160 acres are as follows:

Carper Drilling Company, Artesia, New Mexico, is the owner of the lease lying to the north and to the east, of the 160 acres involved.

Texas Trading Co., Inc., applicant herein, is the owner of a State Oil and Gas Lease lying immediately south of the 160 acres involved.

John Fidel, of Albuquerque, New Mexico, is the owner of lease to the west of the 160 acres involved.

WHEREFORE, Texas Trading Co., Inc. respectfully requests approval of such non-standard location.

TEXAS TRADING CO., INC.

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Neil B. Watson,

Attorney for Texas Trading Co., Inc.,

Box 56,

Artesia, New Mexico.

STATE OF NEW MEXICO)

COUNTY OF EDDY)

SUBSCRIBED AND SWORN to before me this 25th day of April, 1955.

Notary Public.

My Commission Expires: Oct. 8, 1958