

IN THE MATTER

OF

NEW MEXICO ASPHALT & REFINING COMPANY'S
APPLICATION FOR INCREASE IN ALLOWABLE
PER UNIT OF PRODUCTION IN THE WEST LUSK
AREA, EDDY COUNTY, NEW MEXICO.

TO THE HONORABLE
NEW MEXICO OIL CONSERVATION COMMISSION:

Now comes New Mexico Asphalt & Refining Company, a New Mexico corporation, whose legal domicile is in the City of Artesia, County of Eddy, State of New Mexico, and respectfully request that the West Lusk Area in Eddy County, New Mexico, limited to such wells in such area as produce asphaltic base crude oil be allowed to produce as much as one hundred (100) barrels of oil per day per unit of production for a limited period, retroactive from September 1, 1942, to December 1, 1942, for the following reasons, to-wit:

I.

Your petitioner has contracted for the purchase and is purchasing all of the crude oil (being approximately 1300 barrels per day) now being produced in the Barber area and from the Plains Production Company in the West Lusk area; that the crude oil produced from said West Lusk Area has an asphaltic base.

II.

That your petitioner has contracted for the delivery of asphalt and road oils to the U. S. Army Engineers, which is to be used for air base projects throughout the State of New Mexico and parts of Texas in the vicinity of the State of New Mexico; that your petitioner requires a minimum of 1500 barrels daily for processing at its refinery in Artesia, New Mexico, in order to comply with its commitments for the delivery of asphalt and road oils to said U. S. Army Engineers for the purposes stated; that this Commission has heretofore entered an order, allowing units of production producing asphaltic base crude in the Barber area to produce as much as 100 barrels per day;

that the units of production in the West Lusk area operated by said Plains Production Company should likewise be allowed to produce 100 barrels per day; that unless each unit of production in said area be allowed to produce as much as 100 barrels per day your petitioner will have insufficient asphaltic base crude oil to supply said U. S. Army Engineers with asphalt and road oils to be used in the construction of air base projects in the State of New Mexico and parts of Texas; that the delivery of said materials to said U. S. Army air base projects is essential to National Defense.

III.

That the only available source within the State of New Mexico for asphaltic base crude oil sufficient to supply your petitioner for the purposes stated is from the combined Barber and West Lusk areas.

IV.

That no damage will result to the West Lusk Area reservoir by granting said increase in allowable.

V.

That there are no other interested parties producing asphaltic base crude within the West Lusk area other than said Plains Production Company, who have consented to and acquiesced in this petition.

Respectfully submitted:

NEW MEXICO ASPHALT & REFINING COMPANY

By: Martin J. Luck

Vice-President.

APPROVED:

PLAINS PRODUCTION COMPANY

By: A. B. Haseman

Vice-President.