OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

August 3, 1953

Mr. Bryan L. Denson LOS NIETOS COMPANY 200 Wilkinson-Poster Bldg. MIDLAND, TEXAS

Dear Sir:

Your company's application for permission to drill directionally your State Gross No. 2 Well, SW/4 NE/4 Section 2, Township 12 South, Rge. 32 East, NMPM, has been set up as Case 564 and scheduled for hearing at 9 a.m. August 20, 1953, State Capitol, Santa Fe, N. M.

Very truly yours,

W. B. Macey Chief Engineer

WBM:nr

Nov. Sycho OR CONSTRUCTION OF STREET

BOVERNICO FUNENCIA A CARACTE CHAIRNAIL

LAND COUNTS STANKER L. S. S. A. E. R. MEMBER

STATE GEOLDGIST RIK, SPIRRIER

SECRETARY AND DIRECTOR



September 7, 1953

Memo to Commission

Case No. 564 - The Application of Los Nietos Company for permission to directionally drill its State Gross No. 2, SW/4 NE/4 of Section 2, Township 12 South, Range 32 East, Lea County, New Mexico in the East Caprock-Devonian Pool.

Recommendation:

It is recommended that the application be approved and an The original location of the well was 1980 feet from order entered. the north and east lines of the section. The final location of the hole after being directionally drilled is 2208.11 feet from the north line and 1811.54 feet from the east line of Section 2. The reason for the directional drilling is that originally the well was drilled to a total depth of 11,248 feet. At that point they were on the downthrown side of the fault and it was necessary for them to plug back to 9639 feet and directionally drill to a true vertical depth of 11,259 feet in order to get on the upthrown side of the fault and obtain commercial production.

W. B. Macey

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

September 25, 1953

Mr. Bryan L. Denson Los Nietos Company 200 Wilkinson-Foster Building MIDLAND, TEXAS

Dear Sir:

We enclose two copies of Order No. R-564 issued by the Commission in Case 360, heard on your company's petition at the August 20, 1953, hearing.

Very truly yours,

WBM:nr

For W. B. Macey, Chief Engineer