LAW OFFICES

## A. J. LOSEE

CARPER BUILDING - P. O. DRAWER 239
ARTESIA, NEW MEXICO 88210

AREA CODE 505 746-3508

15 October 1970

Mr. A. L. Porter, Jr., Secretary-Director New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Porter:

JOEL M. CARSON

Enclosed herewith, please find triplicate copies of Application of Byron McKnight for permission to drill two exploratory test wells in the Potash-Oil Area, Lea County, New Mexico, and for an exception to Order R-lll-A to the casing requirements for the two exploratory wells.

I understand this application will be set for hearing before an examiner on October 28, 1970. At the date of this writing, we do not anticipate any protest from the Potash-Oil operators.

Very truly yours,

A. J. Zosee

AJL:jw Enclosures

cc: Mr. Byron McKnight

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

4445

IN THE MATTER OF THE APPLICATION OF BYRON MCKNIGHT FOR PERMISSION TO DRILL TWO EXPLORATORY TEST WELLS IN THE POTASH-OIL AREA, LEA COUNTY, NEW MEXICO, AND FOR AN EXCEPTION TO ORDER R-111-A TO THE CASING REQUIREMENTS FOR THE TWO EXPLORATORY WELLS

Case No.

## APPLICATION

COMES BYRON McKNIGHT by his attorney and in support of this application, states:

- 1. Applicant is the operator of the Yates Formation underlying the NE/4 NE/4 Section 34, NW/4 NW/4 Section 35, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and operator proposes to drill two exploratory wells, one on each of said 40-acre tracts, to a depth of approximately 3,800 feet below the surface.
- 2. In the drilling of said well, applicant proposes to utilize the following casing and cementing program, to-wit:

8-5/8 inch casing set at approximately 300 feet, with such casing to be cemented with approximately 300 sacks necessary to circulate the cement to the ground surface

4-1/2 or 5-inch casing set at approximately 3,800 feet, and if production is obtained such casing shall be cemented with sufficient cement to circulate the same to the surface of the ground.

3. The two exploratory well locations are within the Potash-Oil Area, Lea County, New Mexico, defined in Order R-111-A, and the applicant's proposed casing and cementing

programs for the two exploratory test wells are not in compliance with said Order R-111-A.

- 4. That United States Potash and Chemical Company, P. O. Box 101, Carlsbad, New Mexico, and Potash Company of America, P. O. Box 31, Carlsbad, New Mexico, are all of the potash operators holding Potash Leases within a radius of one mile of the two exploratory wells. The applicant has furnished each of said potash operators with the well location plat and the notice of intention to drill each of the exploratory wells, and the Return Receipts for such Certified Mail will be filed with the Commission at the time of hearing on this application.
- 5. The approval of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

- A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.
- B. That upon hearing, the Commission enter its
  Order granting permission to applicant to drill the two exploratory test wells in the Potash-Oil Area, Lea County, New Mexico, and grant to applicant an exception to the casing requirements of Order R-111-A for the two exploratory wells.
- C. And for such other relief as may be just in the premises.

BYRON McKNIGHT

P. O. Drawer 239

Artesia, New Mexico 88210

Attorney for Applicant