

MARK PRODUCTION COMPANY

June 22, 1973

330 CITIZENS BANK BUILDING
TYLER, TEXAS 75701
TELEPHONE (214) 597-3551

Mr. W. A. Gressett, Supervisor
New Mexico Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

RECEIVED

JUN 25 1973

Re: Mark Production Company # 1 Peterson
1980' from the East and South lines of
Section 7-18S-27E
Eddy County, New Mexico

O. C. C.
ARTESIA, OFFICE

Dear Mr. Gressett:

Attached you will find our Application to Drill (C-101) the above captioned 9700' Morrow Sand Test, with the Well Location and Acreage Dedication Plat (C-102). You will note we have specified a 320 acre unit which will be the south half of Section 7.

You will recall our recent conversations concerning the spacing rules affecting this well. It is our understanding that since our location is within a mile of the Exxon operated Red Lake Pennsylvanian Field, we would be subject to its spacing rules which provide for 160 acres. It is our further understanding that should we request an exception to this spacing rule, that a hearing by the Oil Conservation Commission would be held to review this request.

With this letter, we are hereby requesting an exception to the Red Lake Pennsylvanian Field Spacing Rules, and that the subject well be granted 320 acre spacing, being the south half of Section 7-18S-27E, Eddy County, New Mexico. We have been in contact with Exxon concerning this matter and have been assured verbally that Exxon will waive any objections to our request. We expect to have such waiver in writing within another week and will submit it to your office to be attached to this request.

At your earliest convenience, would you please advise me of the timing of the hearing at which this request will be reviewed. Should you have any questions concerning this letter, please contact me at A/C 214 597-3551. Otherwise, your prompt consideration will be greatly appreciated.

Sincerely,



Paul R. Waters
Vice-President

esp
enclosures