

CONTINENTAL OIL COMPANY

Hobbs, New Mexico
June 6, 1951

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: R. R. Spurrier

Gentlemen:

Continental Oil Company plans to commence a wildcat well in the near future to be located in the Southeast quarter of the Southeast quarter of Section 5, Township 22 South, Range 21 East, N.E.P.M., Eddy County, New Mexico. The purpose of this well is to test the Texas Hill Unit which has been previously approved by the New Mexico Oil Conservation Commission in order No. H-34.

Upon staking a normal 660 foot location in the Southeast Quarter of the Southeast quarter of Section 5, Township 22 South, Range 21 East, it was found that the location fell upon the wall of a steep canyon which would require an expenditure of approximately \$25,000 to prepare a shelf large enough to hold a drilling rig and allied equipment necessary in drilling the well. The San Andres formation outcrops in this area thus the surface formation is limestone, necessitating that the well location be blasted from solid rock. Continental Oil Company is presently expending some \$30,000 in building approach roads to this location.

