



THE ATLANTIC REFINING COMPANY
INCORPORATED - 1870
PETROLEUM PRODUCTS

February 21, 1966

NORTH AMERICAN PRODUCING DEPARTMENT
NEW MEXICO - ARIZONA DISTRICT

S. L. SMITH, DISTRICT MANAGER
JACK BIARD, DISTRICT LANDMAN
E. R. DOUGLAS, DISTRICT GEOLOGIST
A. D. KLOXIN, DISTRICT DRG. & PROD. SUP'T.
M. C. ROBERTS, DISTRICT GEOPHYSICIST
W. P. TOMLINSON, DISTRICT ENGINEER
B. R. WARE, DISTRICT ADMINISTRATIVE SUP'V.

SECURITY NATIONAL BANK BLDG.

MAILING ADDRESS

P. O. BOX 1978
ROSWELL, NEW MEXICO

RECEIVED

N. M. Oil Conservation Commission
P. O. Drawer DD
Artesia, New Mexico

Attention: Mr. R. L. Stamets

Re: Walt Canyon Unit #3 Well

Gentlemen:

As outlined in our telephone conversations of this date, I am furnishing the following information in support of our proposed location for the drilling of our Walt Canyon Unit #3 Well. The proposed location is 720' FNL & 790' FWL Section 6, T-22-S, R-25-E, Eddy County, New Mexico.

The Walt Canyon Unit #3 is being drilled as an 8000' Cisco-Canyon dolomite exploratory test to further evaluate a show of oil found in the Walt Canyon Unit #1, two and one-half miles west. The Walt Canyon Unit #1 was drilled two years ago. On a drill stem test of the Cisco-Canyon dolomite, 1674' of oil was recovered which led to setting pipe through the zone for testing. The zone between 7932' to 7944' was perforated and squeezed four times in an attempt to complete as an oil producer. We were unable to shut off water production from this zone. In September, 1965 Pan American tested the Cisco-Canyon in Section 17, T-22S, R-24E and recovered 1000' of free oil but did not attempt a completion. Atlantic drilled the Cone Federal #1 in 1964 in Section 24, T-19S, R-24E in the search for Cisco-Canyon oil as indicated by a drill stem test in the Carper Van Hook #1 in Section 30, T-19S, R-25E. Pipe was set in the Cone #1 and an oil completion made from the Cisco-Canyon. In January, 1965 Atlantic drilled the Kincaid Federal #1 in Section 18, T-19S, R-25E in an attempt to find oil in this horizon. We participated with dry hole support in the

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944

10-11-1944