A. C. 915 684-4463 June 9, 1972

Mr. A. L. Porter Secretary - Director New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico 87501

Round Mountain Unit Eddy County, New Mexico Re: Exception to Statewide Rule 104-B. Acreage and Well Locations for Wildcats.

Dear Sir:

It is respectfully requested that an exception be granted to the above captioned rule. American Trading and Production Corporation proposes to drill a wildcat well to the Morrow Formation, 1,556' FSL and 725' FEL of Section 29, T-21-S, R-25-E, Eddy County, New Mexico. Proposed depth will be 10,500 feet. This request is made because of the topography of the area. To conform to the minimum distances of 1,980 feet from the nearest end boundary and 660 feet from nearest side boundary, as set out in the above rule, would result in quite a large expenditure. An on the site inspection was made, and it would appear that the least amount of damage to the natural environment would occur at the requested location.

Attached is a plat indicating the proposed location and the area which makes up the Round Mountain Unit, and a copy of the U.S.G.S. topographic map of the section modified with 10 foot contours. Note that the conventional location is on a steep slope and in a small gully. The requested location is on a gently sloping surface and will require considerably less disturbance of the terrain. Since the proposed location is in the center section of the nine section unit, there are no offset operators and waivers were not necessary. Also attached are copies of New Mexico Oil Conservation Commission Form C-102, and U.S.G.S. Form 9-331C. The originals and required copies have been filed with the U.S.G.S. in the normal manner.

Based on the above, it is again requested that an unorthodox location of 1,556' FSL and 725' FEL be approved because of topographical conditions.

Yours very truly Lácaff, Jr. Ted B. District Manager West Texas-New Mexico RECEIVED

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N. 8. GEOLOGICAL SURVE

ABTESIA. NEW MEXICO

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D. C. C. ARTESIA, OFFICE

JWM/ml Attachs.

cc. U.S.G.S. Drawer U Artesia, New Mexico 88210



Job separation sheet

RECEIVEL

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

JUL 1 2 1972

D. C. C. ARTESIA, OFFICE

July 10, 1972

American Trading and Production Corporation P. O. Drawer 992 Midland, Texas 79701

Attention: Mr. Ted B. Lacaff, Jr.

Administrative Order REL-5.5

Gontlemen:

Reference is made to your application for approval of a wildcat unorthodox gas well location for your Round Mountain Unit Well No. 1 to be located 1,556 feet from the South line and 725 feet from the East line of Section 29, Township 21 South, Range 25 East, NMFM, Eddy County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Cosmission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/GMH/ar

cc: Oil Conservation Commission - Artesia Oil & Gas Engineering Committee - hopps D. S. Geological Survey - Artesia