

N. M. O. C. C. COPY

**EXXON** COMPANY, U.S.A.

POST OFFICE BOX 1600 - MIDLAND, TEXAS 79701

August 28, 1975

MIDCONTINENT PRODUCTION DIVISION  
SOUTHWESTERN EXPLORATION DIVISION

W. R. WARDROUP  
DIVISION DRILLING MANAGER

Request for Exception to  
N.M.O.C.C. Rule 103BI(a) to  
Drill Laguna Grande Unit (Federal),  
Well No. 1  
Eddy County, New Mexico

Mr. Jim Knauff  
United States Geological Survey  
210 Carper Building  
Artesia, NM 88210

Mr. J. D. Ramey, Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Mr. W. A. Gressett  
Drawer DD  
Artesia, NM 88210

**RECEIVED**

AUG 29 1975

U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

Gentlemen:

Attached are eight copies of Form 9-331-C, Application to Drill, with attachments for Laguna Grande Unit (Federal), Well No. 1, a wildcat to be drilled in Eddy County, New Mexico.

Rule 103BI(a) of the New Mexico Oil Conservation Commission Rules requires that a wildcat gas well which is projected to a formation of Pennsylvanian age or older be drilled not closer than 1,980' to the nearest end boundary and no closer than 330' to any quarter-quarter section line. This well is located 1,380' to the nearest end boundary and 60' to the nearest quarter-quarter section line and requires an exception to Rule 103BI(a). This exception is necessary due to Federal regulations governing the drilling of wells near the Potash area. Also attached is a plat showing the offset leases to the proration unit. Offsetting the proration unit for this well is a Federal lease which is open and Amoco. Amoco's lease is a part of the Laguna Grande Unit which is in the process of being executed.

By copy of this letter, we are notifying Amoco of our application to drill this irregular location. If the offset operator has no objection to this location, we are requesting that they execute the attached waiver and forward a copy to the U.S.G.S., Artesia, New Mexico, and New Mexico Oil Conservation Commission, Artesia, New Mexico, and return one copy to this office.

We respectfully request that administrative approval be given to drill this irregular location.

Very truly yours,

*W. R. Wardroup*  
W. R. Wardroup

MK/sf

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Attachments