

OIL CONSERVATION COMMISSION  
Artes DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE Feb 12, 1976

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL ✓ \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 2-11-76  
for the Merrion & Bayless Morgan #3 D-31 27N-12W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

AR Kendrick

**Robert L. Bayless**  
PETROLEUM CLUB PLAZA BUILDING  
P. O. BOX 1541  
FARMINGTON, NEW MEXICO 87401

February 11, 1976

New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

ATTENTION: Mr. James Kapteina

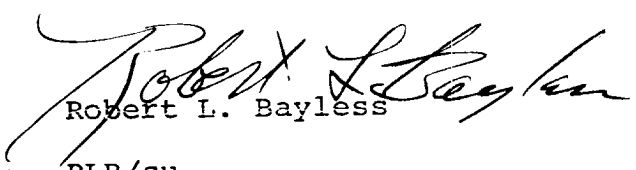
Re: Morgan #3  
W 1/2 of Section 31, T27N, R12W  
San Juan County, New Mexico

Gentlemen:

Enclosed please find 2 copies of our Intent to Deepen the above referred to Gallup well to test the Dakota formation.

We request administrative approval under Rule 104 Paragraph F for an unorthodox location as this well was drilled in 1958 as a Gallup test and is located 330 feet from the west line of Section 31. We propose to dedicate the W 1/2 of Section 31 to the Dakota pro-ration unit. We have a drilling rig tentatively scheduled to commence this work February 19; if there are any problems regarding this request, we will appreciate hearing from you immediately.

Yours truly,

  
Robert L. Bayless

RLB/su

Enclosures: Intent to Deepen Morgan #3

cc NMOC - Aztec  
U.S.G.S. - Farmington

