Case 1121

The Chio Cil Co.

Legal Department

W. Hume Everett Thomas St. McElroy J. Q. Terrell Couch

January 25, 1956

P.O.Box 3128 Houston,Texas

Re: Approval of Non-Standard Location and Regular Allowable for a well proposed to test Pennsylvanian and Devonian formations in NW/4 NW/4 Section 35, T-15-S, R-36-E, N.M.P.M., Lea County, being within the area included in the Dean-Devonian Pool.

Mr. W. B. Macey, Secretary New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Bill:

I enclose in triplicate application for hearing on the above subject. I will appreciate your setting the case for the earliest possible date after notice can be given, so that in the event hearing before the Commission is necessary it will be possible to get the case on the February docket.

Please return the extra copy of this letter with a note on it showing the date, time and place selected for the hearing. Any thoughts or suggestions you might have in connection with this case will be appreciated.

Sincerely,

Terrell Couch

TC:MK Enc.4

Case 1021 por 5 p. 107

Legal Department

W. Hume Everett Thomas St. McElroy J. Q. Terrell Couch

January 25, 1956

P. Q.Box 3128 Houston, Texas

Re: Approval of Non-Standard Location and Regular Allowable for a well proposed to test Pennsylvanian and Devonian formations in NW/4 NW/4 Section 35, T-15-S, R-36-E, N.M.P.M., Lea County, being within the area included in the Dean-Devonian Pool.

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Attention: Mr. W. B. Macey, Secretary

Gentlemen:

The Ohio Oil Company respectfully requests that you grant this application for exceptions to the Statewide Rules and the applicable pool rules, by authorizing The Ohio Oil Company to drill a well to a sufficient depth to test the Pennsylvanian and Devonian formations for oil and gas at a location 990 feet from the north line and 660 feet from the west line of Section 35, Township 15 South, Range 36 East, N.M.P.M., Lea County, and by authorizing production of oil and gas from such well at the rate and amount permitted by the Statewide Rules without penalty on account of location of the well, such production to be from the formation selected by applicant.

The Ohio Oil Company is the owner of valid oil and gas leases from A. C. Dean et al, covering the NW/4 NW/4 of said Section 35 and other lands. All other interested parties known to applicant are as follows: Sinclair Oil and Gas Company, Sunray Oil Company, Magnolia Petroleum Company, Tidewater Associated Oil Company, Humble Oil & Refining Company, Gulf Oil Corporation, Atlantic Refining Company, and Mr. Dan Auld, P. O. Box 988, Kerrville, Texas.

The drilling and production of the proposed well, at the location and in the manner stated above, will not cause but will prevent waste and will not damage but will protect correlative rights. Refusal of this application would deprive your applicant of a fair opportunity to recover its just and equitable share of the oil and gas under the NW/ 1 of the NW/ 1 of said Section 35.

The Ohio Oil Company requests that this application be set for hearing at the earliest possible date, that due notice of the application and hearing be issued and published as required by law, and that the hearing be held before an Examiner. If objection to the hearing before the Examiner is made within the time provided by law, or if the Commission desires to hold the hearing itself, your applicant requests that this application be set for hearing before the Commission at its regular hearing on February 15, 1956, if possible.

January 25, 1956 New Mexico Oil Conservation Commission Page 2

The Ohio Oil Company requests that promptly after such hearing this application be granted, that the exceptions herein requested be authorized and that the Commission enter its order approving and authorizing the location, drilling and production of the well as requested in this application. After such order is entered, The Ohio expects to file Form C 101 and other applicable forms in connection with such well, which forms shall be based upon and filed pursuant to such order.

Very truly yours,

THE OHIO OIL COMPANY

TC:MK