

**ROYAL DEVELOPMENT COMPANY**

KORBER BUILDING  
ALBUQUERQUE, NEW MEXICO

Nov 6 1961

Oil Conservation Commission  
State of New Mexico  
Sante Fe, N M

Gentlemen

Please consider this letter our formal application for seven unorthodox oil well locations in Section 17, Township 29 North, Range 18 West, in the Shiprock-Gallup Oil Pool, San Juan County New Mexico, as follows:

Well No 17-I-A located 2475' FSL and 10' FEL; —  
Well No 17-I-B located 2475' FSL and 1310' FEL; —  
Well No 17-I-D located 1650' FSL and 10' FEL; —  
Well No 17-I-E located 1650' FSL and 1310' FEL; —  
Well No 17-I-A-1 located 2475' FSL and 660' FEL; —  
Well No 17-J-C located 2475' FSL and 2630' FEL; —  
Well No 17-J-C-1 located 2475' FSL and 1980' FEL. —

The Ship-rock Gallup wells are located on Navajo Lease 14-20-603-5036, and we own and operate the NW/4 SW/4 of Section 16; the N/2 SE/4 and the NE/4 SW/4 of Section 16. We now have several wells producing on this property in accordance with your spacing regulation CASE No 1697, ORDER No R-1438 dated June 24, 1959, all from a depth of less than 190 feet.

This application in effect requests locations closer to the quarter-quarter section than the 165 feet specified in your Order, but only within the confines of our lease, and not closer than 165 feet to any adjacent property or lease owner.

It further requests locations closer than 300 feet between wells, but again, only on wells located within our lease.

The oil being produced is apparently a result of gravity drainage. There is no apparent "gas or water drive". It is felt that additional wells and closer spacing will result in the recovery of additional oil.

A plat is attached showing our acreage, - the location of the first eighteen wells drilled and productive, and the location of the above requested unorthodox locations.

Your consideration to this application will be appreciated.

Sincerely,

ROYAL DEVELOPMENT COMPANY

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