

Case 2455

Hondo Oil & Gas Company

Box ~~660~~ 1000

Roswell, New Mexico

November 21, 1961

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: Application for Permission to Drill
a Well at an Unorthodox Location 660'
from the East line and 2590' from the
North line of Sec. 25, T-17S, R-28E,
N.M.P.M., Eddy County, New Mexico, for
completion in the Abo Reef formation,
Empire Abo pool.

Gentlemen:

Hondo Oil & Gas Company, Operator for Hondo Oil & Gas Company, a corporation, Western Development Company of Delaware, a corporation, and Yates Brothers, a partnership, together doing business as Hondo-Western Yates, hereby makes application for permission to drill a test well at an unorthodox location 660' from the East Line and 2590 feet from the North line of Section 25, Township 17, South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

In support of this application, Hondo Oil & Gas Company states the following:

1. Hondo-Western-Yates is the owner and Hondo Oil & Gas Company is the operator of all producing rights below 500 feet below the top of the San Andres formation on Hondo-Western-Yates State 647 lease insofar as the same covers all of Sections 25 and 26, the North three-fourths of Section 36, and the East three-fourths of N $\frac{1}{2}$ and the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 35, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.
2. There is no diversity of royalty ownership underlying the above described premises, all being dedicated to the common schools.

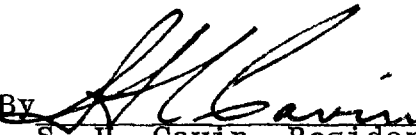
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3. In order to justify drilling on the spacing unit in question it is necessary to complete the well in the portion of the spacing unit most likely to be suitable for normal completion procedures.
4. Hondo-Western-Yates is the owner and Hondo Oil & Gas Company is the operator of all producing rights below 500 feet below the top of the San Andres formation on Hondo-Western-Yates State 647 lease insofar as the same covers spacing units offsetting unit on which the proposed well is to be drilled.
5. The granting of applicant's request in this case is in the interest of conservation, will protect correlative rights and will not create any danger of waste.

It is hereby respectfully requested that this matter be set for hearing at any early date.

Yours very truly,

HONDO-WESTERN-YATES
BY HONDO OIL & GAS COMPANY, OPERATOR

By 
S. H. Cavin, Resident Attorney