

GRARIDGE CORPORATION

Producers of Oil and Gas

BRECKENRIDGE, TEXAS

Stan *meter*

July 22, 1955

New Mexico Oil Conservation Commission
Hobbs, New Mexico

Gentlemen:

Attached hereto is request to drill our Ohio State No. 7 330' out of the S. E. corner of the NE/4 of the SW/4 of Section 11, Township 13 S, Range 31 E, Chaves County, New Mexico, in the Cap Rock Pool.

Wells have been drilled in the SE/4 of the SE/4 of Section 10, and in the NE/4 of the NE/4 of Section 15, each of which produced mostly gas. Our Ohio State No. 5 drilled in the SW/4 of the SW/4 of Section 11 came in as a flowing producer at a nominal oil-gas ratio. The geological information which we have in this area indicates that a location at the center of the NE/4 of the SW/4 would probably be slightly higher than our Ohio State No. 5. In order to keep the gas-oil ratios at a nominal figure, it is felt that this location should be moved to the 330' location rather than drilling in the center of the 40 acres.

Your approval for the request as indicated is requested.

Yours very truly,

GRARIDGE CORPORATION

O. H. Reaugh

By O. H. Reaugh

OHR:elr

Attachment