OIL CONSERVATION COMMISSION _____DISTRICT

OIL CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO

DATE

RE: Proposed MC _____ Proposed DHC _____ Proposed NSL ____ Proposed SWD _____ Proposed WFX _____ Proposed PMX _____

Gentlemen:

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I have examined the application dated ninkard [1. 11 # 4/7 28-21-37 for the Operator Well No. Lease and S-T-R Unit.

and my recommendations are as follows:

Or _____

Yours very truly,

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT HOBBS AREA

C. D. Borland

P. O. Box 670 Hobbs, New Mexico 88240

May 18, 1977

Mr. Joe D. Ramey New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation respectfully requests your Administrative approval to drill a development well in the Drinkard Pool at an unorthodox location. It is proposed to drill Central Drinkard Unit Well No. 417, located 1485' from the South line and 1385'from the West line of Section 28, Township 21-S, Range 37, East, Lea County, New Mexico as shown on the attached plat. The following facts are submitted in support of this application.

1. Commission Order No. R-5030 established procedures for completing additional Central Drinkard wells as a result of a Hearing held May 14, 1975.

2. This unorthodox location is necessitated by reservoir considerations. In order to proceed with development of the Upper Drinkard gas pay, to prevent drainage of the Unit area by offsetting wells and avoid interference with the existing waterflood of the oil zone, which is necessary for the prevention of waste, this well must be located as shown on the attached plat.

3. This location is not closer than the standard location distance of 330' to the Unit boundary.

4. Commission forms C-101 and C-102 have been submitted to the Hobbs District Office of the New Mexico Oil Conservation Commission.

Yours truly,

C. D. BORLAND

DTB:lwd cc: NMOCC, Hobbs CFK Midland





