

NOTES OF FIELD OFFICE CCC

August 2, 1954

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New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

RE: Samadan Oil Corporation
S. B. Hughes B-4 Lease
Well No. 7
Lee County, New Mexico
Application For Dual Completion

Gentlemen:

The Samadan Oil Corporation respectfully requests the New Mexico Oil Conservation to issue approval authorizing the dual completion of its S. B. Hughes B-4 Lease, Well No. 7, located 1980 feet South of the North Line and 660 feet East of the West Line of Section 17, T-23S, R-37E, Lee County, New Mexico. The proposed dual completion would be a gas-oil dual completion, producing gas from the Yates and Seven Rivers zones, and oil from the Queen zone. The following is submitted in support thereof:

1. The subject well is being drilled to meet offset obligations in the Yates - Seven Rivers and Queen zones from wells dually completed and heretofore approved by the New Mexico Oil Conservation Commission.
2. The Samadan Oil Corporation now desires to complete the subject well as a gas well from the Yates - Seven Rivers zone and as an oil well from the Queen zone, and wishes to state that with modern technique and equipment it is both practical and economical to so dually complete the subject well in a manner such that there will be no comingling of fluids between the oil and gas reservoirs.
3. The attached exhibit "A" shows the location of the subject well and the 160 acre unit designation for gas allowable purposes.
4. The attached exhibit "B" shows the proposed manner and method of dual completion.
5. The approval of this application is in the interest of conservation and the protection of correlative rights, and the Samadan Oil Corporation will comply with all rules and regulations to maintain separation of fluid production from the two pay zones.

New Mexico Oil Conservation Commission

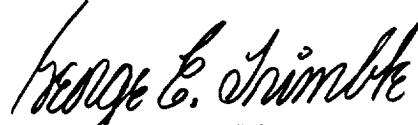
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6. A copy of this application has been mailed to each offset operator.

Very truly yours,

SANEDAN OIL CORPORATION

A handwritten signature in cursive script, reading "George E. Trimble".

George E. Trimble

OKT:jbb

10. "The following information is being furnished to you for your information only and is not to be used for any other purpose."

11. "The following information is being furnished to you for your information only and is not to be used for any other purpose."

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Alfonso J. Lopez
15. "The following information is being furnished to you for your information only and is not to be used for any other purpose."