



RESERVE OIL, INC.

THE SOUTHERN DIVISION

312 HBF BUILDING
MIDLAND, TEXAS 79701
(915) 682-4341

April 2, 1979

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets, Examiner

Re: Application to Drill Unorthodox Location
Cooper Jal Unit, Well No. 154
Langlie Mattix Field
Lea County, New Mexico

Gentlemen:

Reserve Oil, Inc. requests immediate approval of its application to drill Cooper Jal Unit, Well No. 154, in an unorthodox location in the Cooper Jal Unit, Langlie Mattix Field, Lea County, New Mexico. Reference Attachment "C", the proposed producer (Well No. 154) is located in a 160 acre tract that presently has three (3) Langlie Mattix completions and four (4) Jalmat completions, and the nearest completed well to the proposed Well No. 154 is Well No. 230 which is 650' from the proposed Well No. 154.

Reference "Form C-102", the reason subject well is considered a non-standard location is that it is 230' South and 240' East from the boundary of its quarter-quarter section. To move the location South and East would, in Reserve Oil, Inc.'s opinion, impair the recovery success due to the declining reservoir rock quality in that direction. Subject well is located within the Cooper Jal Unit area and will not impair other operator's rights. Also attached for your review are Forms C-101 and C-102, Attachment "A" (plat showing entire unit), and Attachment "B" (unit's production history).

The reason for requesting immediate approval is that Reserve Oil, Inc. has a rig contracted to commence drilling the well on April 11, 1979. Reserve Oil, Inc. was initially of the opinion that subject well was at a standard location and that our "Application to Drill" which was submitted on March 26, 1979, would be approved and returned this week. On Saturday, March 31, 1979, we received a letter from Mr. Sexton of your Hobbs office notifying Reserve Oil, Inc. that our proposed location was non-standard.

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