

TESORO PETROLEUM CORPORATION

533 BUSBY DRIVE

512-TAYLOR 4-0261

SAN ANTONIO, TEXAS 78209

March 9, 1967



Mr. D. S. Nutter, Chief Engineer
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Nutter:

This letter is to follow up our telephone conversation earlier today regarding our request for an unorthodox location for the Santa Fe Railroad Well No. 72 in the SW/4 of the SE/4 Section 1, Twp 17 N, R 9 W, McKinley County, New Mexico. By now you should have received a telegram sent earlier today making formal request for this unorthodox location.

The proposed location is 2,000 ft. west of the east line and 330 ft. north of the south line of Section 1. Our Santa Fe Railroad Well No. 72 is located on the quarter section to the east; this quarter section being a lot consisting of 52 acres. Well No. 72 is located 1,250 ft. from the east line and 330 ft. from the south line of the section. Therefore, the distance between the two wells will be 750 ft. The proposed location will be 330 ft. from the south line and 280 ft. west of the east line of the SW/4 of the SE/4 of Section 1.

Mr. Ernest Echohawk staked the original location 330 ft. from the south line and 2,050 ft. from the east line of the section and then recognizing the difficulty in preparing a location at this point, staked an alternate location 50 ft. to the east. The original location falls on a solid rock outcrop and preparation of the location and pits would require considerable blasting.

As you suggested, we have contacted Bob Siverson of Tenneco Oil Company in Durango, Colorado, the only offset operator, and described the situation to him. He said he would send a telegram to you stating that Tenneco has no objection to the unorthodox location. You should have this telegram by now.

Mr. D. S. Nutter

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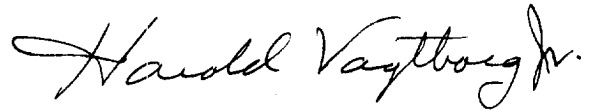
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We would like to spud the well on Monday March 13th and would appreciate your favorable consideration of this request.

We are sending two copies of this letter request to you and a copy to Mr. Emery Arnold.

Thank you.

Yours very truly,

A handwritten signature in cursive script that reads "Harold Vagtborg, Jr.".

Harold Vagtborg, Jr.

HV:lt

cc: Mr. Emery Arnold ✓