



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS RD. - AZTEC

87410

July 16, 1975

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Nuclear Corporation of New Mexico
413 Grant Avenue
Santa Fe, New Mexico 87501

Re: La Ventana #1
SWSW 14, T19N-R1W

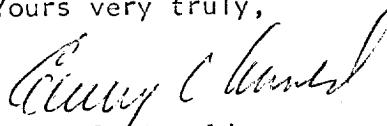
Gentlemen:

We have received copies of Federal form 9331-C, Application for Permit to Drill for the above well. It is my understanding that the well was drilled as a Uranium test hole and encountered an oil show, which you wish to attempt to complete as an oil well.

I am mailing you a copy of New Mexico Oil Conservation Commission Rules & Regulations so that you may be apprised of our requirements. I am also enclosing several copies of our form C-102, Well Location & Acreage Dedication Plat. Our rules specify 40 acre spacing for oil wells so this should be shown on the plat. The well location should also be located on this plat. Commission rules require that an oil well not be located closer than 330 feet to a quarter-quarter section line. I am unable to determine from your surveyors' plat whether this is true for your well.

If you successfully complete the well please contact me and I will advise you what further requirements must be met in order to have an oil allowable assigned.

Yours very truly,


Emery C. Arnold
Supervisor, District III

ECA/me

enclosures

cc USGS, Durango, Colorado.