



Southland Royalty Company

May 10, 1979

Oil Conservation Division
Mr. Al Kendrick
1000 Rio Brazos Road
Aztec, NM 87410

RE: Rededication of acreage for
the Carson #1 and Carson #2
1-30N-5W

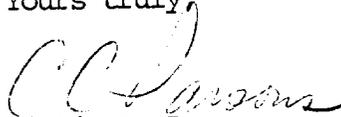
Dear Sir:

In pursuit of our goal to fully develop our potential Mesa Verde and Dakota production in Section 1, T30N, R5W, in Rio Arriba County, New Mexico, we are asking permission to rededicate acreage originally assigned to the Carson #1 and the Carson #2. The Carson #1 is a Basin Dakota well and the Carson #2 is a Blanco Mesa Verde well. Both wells are located in the southwest quarter of Section 1, and have the western half of this section's acreage dedicated to them. The total acreage assigned to them is 319.29 acres.

The Carson #3, which we propose to drill, will be located in the northeast quarter of Section 1, and will be dually completed in the Mesa Verde and Dakota formations. The current undedicated acreage in this section, however, is 216.19 acres and does not comply with field rules for producing these two zones.

We propose to rededicate the southern half of this section, which has a sum total of 268.34 acres, to the Carson #1 and Carson #2 and dedicate the northern half of this section, which has a total of 267.14 acres, to the Carson #3. Royalty and mineral interests will not be affected by this proposed arrangement, as they are the same for the entire section.

Yours truly,


Curtis C. Parsons
District Engineer

BJM/kde

Attachments

XC: USGS - Durango

