

*Well File*

OIL CONSERVATION COMMISSION  
3 DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE 3.23-70

Re: Proposed NSP \_\_\_\_\_  
Proposed NWI \_\_\_\_\_  
Proposed NSL ✓ \_\_\_\_\_  
Proposed NFO \_\_\_\_\_  
Proposed MC \_\_\_\_\_

Gentlemen:

I have examined the application dated 3-6-70  
for the Don American P.T. Corp State Lease BG #1 F-2-29N-10W  
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

Ernest C. Smith

# PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING  
DENVER, COLORADO 80202

March 6, 1970

File: AMR-579-986.511

Re: Application for an Order Permitting  
The Recompletion of State Gas Com "BG"  
Well No. 1 in the Mesaverde Formation  
As an Exception to the Well Location  
Provisions of the Blanco Mesaverde  
Gas Pool Rules

Mr. A. L. Porter, Jr. (3)  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Dear Sir:

Enclosed are three (3) copies of our Application for an Order permitting the recompletion of State Gas Com "BG" Well No. 1 in the Mesaverde formation as an exception to the Well Location Provisions of the Blanco Mesaverde Gas Pool Rules.

We ask that this matter be set for hearing, that notice thereof be given as required by law, and that the hearing be held at the earliest convenient time.

Yours very truly,

A handwritten signature in cursive script, appearing to read "R. B. Giles".

cc: Mr. E. C. Arnold (2)  
New Mexico Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
PAN AMERICAN PETROLEUM CORPORATION  
FOR AN ORDER PERMITTING THE RECOMPLETION  
OF STATE GAS COM "BG" WELL NO. 1 IN THE  
MESAVERDE FORMATION AS AN EXCEPTION TO  
THE WELL LOCATION PROVISIONS OF THE  
BLANCO MESAVERDE GAS POOL RULES

A P P L I C A T I O N

COMES NOW Pan American Petroleum Corporation and in  
support of this Application states:

I.

Applicant, also referred to herein as Pan American, is  
a Delaware Corporation and is duly authorized to transact business  
in, and is transacting business in the State of New Mexico.

II.

Pan American is Operator of the State Gas Com "BG" No. 1,  
a Basin Dakota completion located 1,450' FNL, 1,490' FWL, Section 2,  
T29N-R10W, San Juan County, New Mexico, an orthodox location for  
the Basin Dakota Pool.

III.

The Dakota formation is no longer capable of production,  
and Applicant wishes to abandon the Dakota and recomplete the well  
in the Mesaverde formation.

IV.

Rule 2 of the Special Rules and Regulations governing  
the Blanco Mesaverde Gas Pool as promulgated by Order No. 1670,  
as amended, requires the location of wells in the northeast or  
southwest quarter of the section. Completion of the subject  
well in the Mesaverde formation will require an exception to  
the above rule since the well is located in the northwest quarter  
of the section.

V.

Approval of the subject Application will afford Applicant the opportunity to produce its just and equitable share of the gas in the Blanco Mesaverde Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

VI.

All other Working Interest Owners in the Mesaverde and Dakota formations underlying the N/2 of Section 2, T29N-R10W, have approved recompletion and support this Application. The location of the proposed well is shown on the attached plat. A log of the well is also attached and made a part of this Application.

WHEREFORE, Pan American respectfully requests that it be granted an exception from Order No. R-1670 to permit recompletion of State Gas Com "BG" to the Mesaverde formation as set out above. Applicant requests this matter be set for hearing, that notice thereof be given as required by law, and that the hearing be held at the earliest convenient time.

Respectfully submitted,

PAN AMERICAN PETROLEUM CORPORATION


By

  
Its Attorney

Security Life Building  
Denver, Colorado 80202

STATE OF COLORADO    )  
                              )   SS  
COUNTY OF DENVER    )

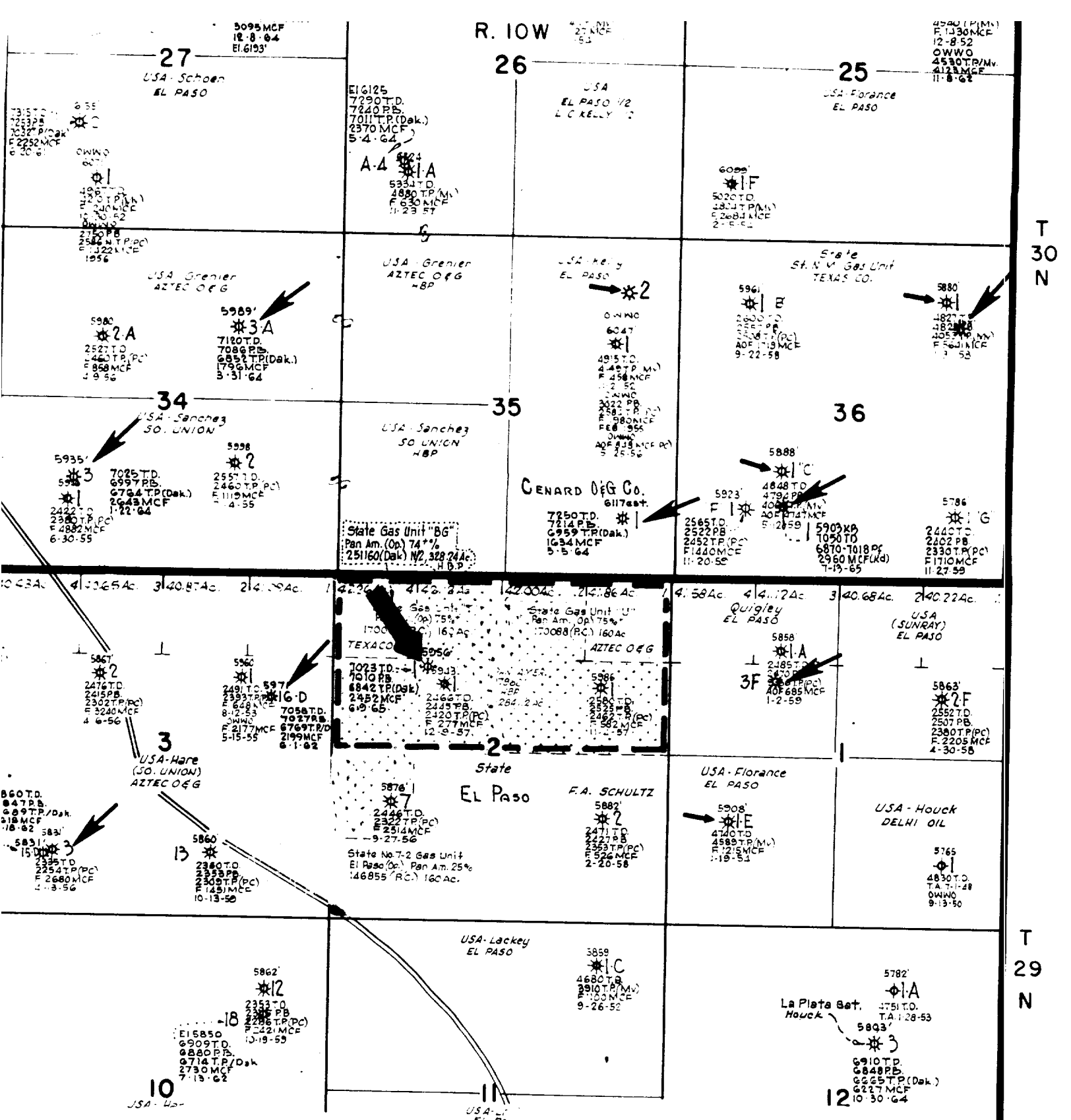
R. B. GILES, of lawful age, being first duly sworn on oath, deposes and says: That he is an engineering supervisor for PAN AMERICAN PETROLEUM CORPORATION, that he has read the foregoing Application and knows the contents thereof, and states that the matters therein set forth are true and correct to the best of his information, knowledge, and belief.

  
\_\_\_\_\_  
R. B. Giles

Subscribed and sworn before me this 6th day of February, 1970.

  
\_\_\_\_\_  
Notary Public

My Commission expires July 26, 1970.



STATE GAS COM. 'BG' NO. 1  
SAN JUAN CO., NEW MEXICO