New Mexico OIL CONSERVATION COMMISSION Aztec, New Mexico

May 20, 1958

R. L. Bayless
Box 1868
Ponca City, Oklahoma

Gentlemen:

We are returning two copies of Form C-128 which were forwarded to this office by the U.S.G.S. Office in Farmington.

These plats were filed in connection with your #4 Navajo well in the NE_4° Section 5-31N-17W. You have failed to indicate your acreage dedication and answer questions regarding ownership. The form has also not been signed by the operator's representative.

We note that you have made a standard oil well location and are drilling the well to the Dakota formation in an area where gas production might possibly be anticipated. In the event this should be a gas-producing well it will be necessary that you make application for a hearing to approve the production before a Form C-110. Authorization to Transport, can be approved.

I would suggest that future wildcat locations to the Dakota in this area be located at least 790 feet from the quarter-section boundary in order that they will be orthodox gas well locations.

In regard to the subject well, please outline the 40 acres to be dedicated, answer the questions, sign and return the form C-128.

Yours very truly

Emery C. Armold
Supervisor, District #3

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