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October 6, 1959

Mr. Emery C. Arnold New Mexico Oil and Gas Conservation Commission 1000 Rio Brazos Road Aztec, New Mexico

Subject: Unorthodox location, King Cil Company, Navajo No. C-4, Section 4, Township 30 North, Range 17 West, San Juan County, New Mexico.

Dear Mr. Arnold:

My client, Mr. King, has requested that I respond to your letter of October 2, clarifying the reasons for this unorthodox location.

A substantial fault with the down thrown side to the north is mapped just to the north of this location.

It was felt that the King Oil Company Navajo No. C-2 penetrated this fault plane at very near the Dakota pay zone horizon.

A marked decrease in porosity as a result of secondary cementation was encountered in this well. This secondary cementation associated with poor hole conditions due to the faulting resulted in almost insurmountable operational problems. This well was subsequently shut in and temporarily abandoned as being non-commercial.

Later studies indicated that the moving of the location south from the very close proximity to the fault might result in a commercial well.

Due to the presence of a large wash running through the tract immediately south of the C-2, it was physically infeasible to drill this tract in any location other than the one of the present well site and still remain south of the zone that was influenced by the faulting.

For information concerning the drainage and topography of the area, I refer you to the U.S.G.S. topographic sheet for the Chimney Rock Quadrangle.

If further information is needed in this matter, please let me know.

Respectfully,

B. F. Latch
Consulting Geologist

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