

R. E. Jackson
1020 Simms Building
Albuquerque, New Mexico

NSL 124

October 29, 1957

Re: Request for unorthodox
location SW/4 Sec. 19
T 29 N, R 10 W.

Oil Conservation Commission
Santa Fe
New Mexico

Gentlemen:

Due to topographical difficulties as outlined on the at-
tached plat I am requesting the location of a ~~Pictured~~^{REVIEWED}
Cliffs test be approved at 2180' from south line and 1220'
from west line, Sec. 19, T 29 N, R 10 W.

I am the operator of this proposed test and upon completion
of the well have agreed to transfer the operation to Horace
F. McKay, Jr., who owns the full working interest in these
leases through various agreements. Attached hereto is a
letter from Horace F. McKay, Jr., who is the only offset
operator directly affected by this unorthodox location,
that being the NW/4 Sec. 19, T 29 N, R 10 W. Also attached
is a letter waiving objections to this location by Pan
American Petroleum Corp. which at present has record title
to the Sanchez lease on which this well will be located and
the Gonzales leases in the N/2 of the quarter section. By
agreement these leases are being transferred to R. E. Jackson
who in turn will assign them to Horace F. McKay, Jr., upon
completion of the test well.

We would very much appreciate your immediate action on this
request as one of the leases expires November 1, 1957,
which would break up our proposed unit.

Very truly yours,

R. E. Jackson
by John P. Strickman, Agent
R. E. Jackson

pg
Encs.

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 1714
 Albuquerque, New Mexico
 October 29, 1957

Re: Proposed Pictured Cliffs Unit
 SW/4 Section 19-29N-10W
 San Juan County, New Mexico

Oil Conservation Commission
 State of New Mexico
 State Capitol
 Santa Fe, New Mexico

Gentlemen:

It is our understanding that Mr. R. E. Jackson of Farmington, New Mexico is requesting your approval of an unorthodox Pictured Cliffs location in the SW/4 Section 19-29N-10W, being 2180' from South line and 1220' from West line of said Section 19.

Pan American has reached a verbal agreement with Mr. R. E. Jackson, whereby Pan American has traded to Mr. Jackson four leases covering fee acreage in San Juan County, New Mexico, more fully described as follows:

Lease covering S/2 NW/4 SW/4 Sec. 19-29N-10W
 (Rumaldo Gonzales, Lessor)

Lease covering E/2 NE/4 SW/4 Sec. 19-29N-10W
 (Rumaldo Gonzales, Lessor)

Lease covering N/2 NW/4 SW/4 Sec. 19-29N-10W
 (Rafael Sanchez, Lessor)

Lease covering SW/4 NW/4 Sec. 30-29N-10W
 (Rhoda Abrams, et al, Lessor)

Mr. Jackson has traded to Pan American a portion of one fee lease covering the following described acreage in San Juan County, New Mexico, being the S/2 SE/4 Section 29-29N-10W.

The necessary assignments covering the acreage to be transferred between the parties are now being prepared by Pan American and will be executed by the parties as soon as convenient.

The Rafael Sanchez lease, above described, will expire 11-1-57, unless drilling operations are commenced prior to said date.

October 29, 1957

Pan American holds a part interest lease covering S/2 SE/4 Sec. 19-29N-10W and a lease covering N/2 SE/4 Sec. 24-29N-11W, both of which are adjacent to the unit to be formed in the SW/4 Sec. 19-29N-10W, which unit will contain the above-described acreage traded to Mr. R. E. Jackson.

Pan American Petroleum Corporation has no objection to the unorthodox Pictured Cliffs location staked by Jackson, as above described. Because of the location of the San Juan River and adjacent swamp area in the SW/4 of said Sec. 19, it would apparently be almost impossible to secure an orthodox location even if the early expiration date of the Sanchez lease were not a factor in this matter.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



Ben R. Kee
District Landman

JWD:bp

Horace F. McKay, Jr.
800 Loma Linda Place, S. E.
Albuquerque, New Mexico

October 28, 1957

Oil Conservation Commission
Santa Fe
New Mexico

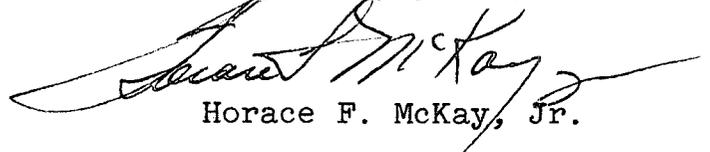
Gentlemen:

By various agreements I am the full working interest owner of the NW/4 and the SW/4 of Section 19, T 29 N, R 10 W, San Juan County, New Mexico. I am requesting an unorthodox location in the SW/4 Section 19, T 29 N, R 10 W, to be located 1220' from the west line and 2180' from the south line due to topographical difficulties in placing this in an orthodox position. Attached is a plat of the proposed location showing the terrain difficulties.

As the only offset operator affected by this location I hereby give my approval. I would appreciate your taking immediate action as we are faced with a loss of lease on November 1, 1957.

Thank you for your co-operation.

Very truly yours,



Horace F. McKay, Jr.

pg
Enc.

for Carroll T. Payne
and W. R. Zachry

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date _____

Operator R. E. Jackson Lease Sanchez
Well No. 1 Unit Letter _____ Section 19 Township 29 North Range 10 West NMPM
Located 2180 Feet From South Line, 1220 Feet From West Line
County San Juan G. L. Elevation 5466 Dedicated Acreage _____ Acres
Name of Producing Formation _____ Pool _____

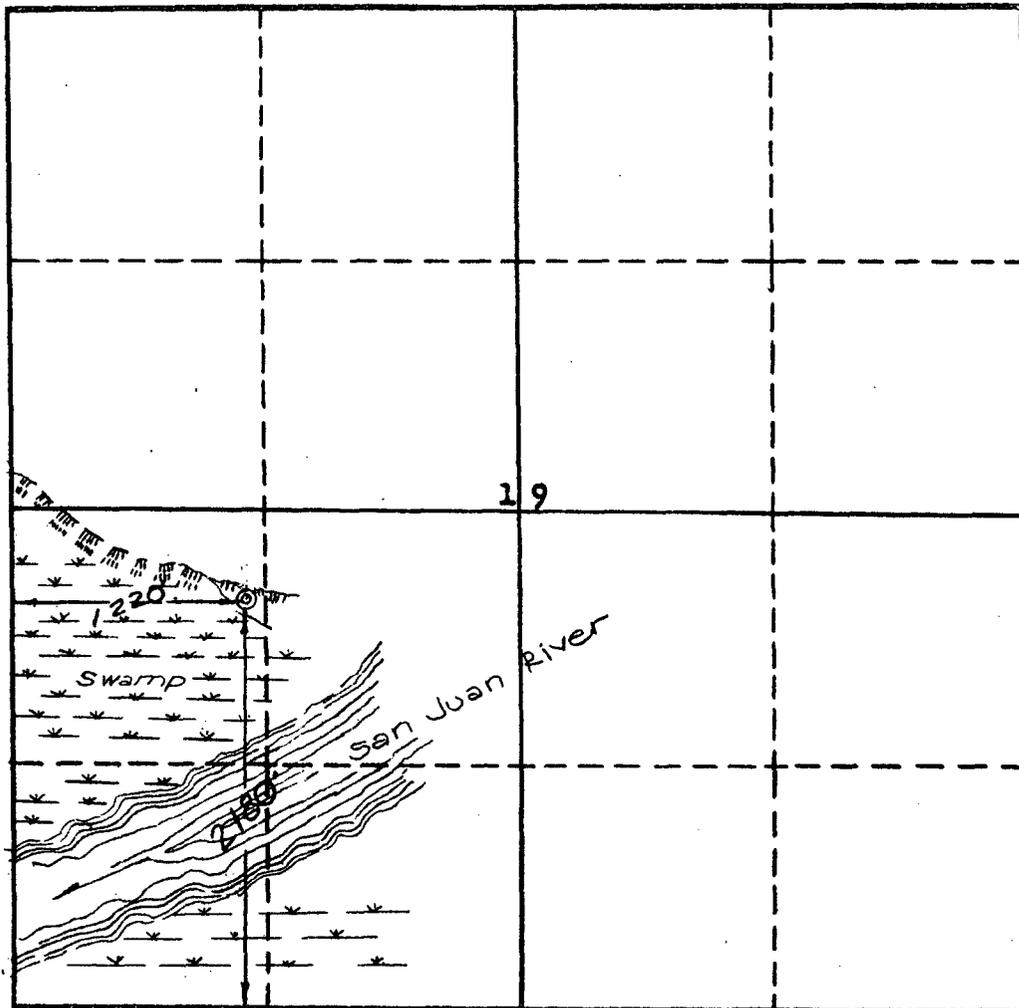
1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes _____ No _____.
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes,"
Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

<u>Owner</u>	<u>Land Description</u>
_____	_____
_____	_____
_____	_____

Section. B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

R. E. Jackson
(Operator)

John R. ...
(Representative)

800 Santa Fe ...
Address

Albuquerque, N.M.

This is to certify that the well location shown on the plat in Section B was obtained from field notes of accepted surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed Oct. 26, 1957

Ernest V. Echohawk
Ernest V. Echohawk
Registered Land Surveyor.

Certificate No. _____