

*Stelly Oil Co.*

February 18, 1959

*15L - 182*  
*(Waiting period)*  
*Due Mar 18, 1959*

Re: Farming "E" Lease  
Section 2-24N-6W  
Rio Arriba County, New Mexico

Oil Conservation Commission  
State of New Mexico  
Box 871  
Santa Fe, New Mexico

Gentlemen:

Our Farming "E" Lease in Section 2 contains 683.38 acres, its abnormality along the north line being due to a correction of the township by the addition of four lots as follows:

Lot 1 containing 11.04 acres and Lot 2 containing 10.91 acres, adjoining the northeast quarter of Section 2;  
Lot 3 containing 10.77 acres and Lot 4 containing 10.66 acres, adjoining the northwest quarter of Section 2.

Our No. 1 well, which is located 769' from the north line and 769' from the east line of abnormal Section 2, is completed as a Dakota gas well, and hence comes under the terms of Order No. R-1287. We desire to assign the east half of Section 2 which contains the normal 320 acres plus 11.04 acres of Lot 1 and 10.91 acres of Lot 2 for a total of 341.95 acres. Under Rule 1 of said order, we would desire administrative approval from the Director of the Commission for its assignment.

Our No. 2 well, which is located 764' from the north line and 1870' from the east line of abnormal Section 2, comes under the provisions of Rule 104 of the Statewide Rules; and administrative approval is sought to assign to this 40 acres the 10.91 acres of Lot 2 adjoining it on the north for a total assignment of 50.91 acres.

Since both wells are in undesignated fields, the No. 1 being an undesignated Dakota gas well and No. 2 being an undesignated Gallup oil well, administrative approval is sought under their respective orders. In addition, the No. 1 well is 769' from the nearest outside lines; whereas,

Oil Conservation Commission  
Page -2

February 18, 1959

the prescribed rules require 790'. Administrative approval is further sought due to the unorthodox size or shape of the tract resulting from variation in the legal subdivision of the United States Public Land Survey.

By carbon copy of this letter we are notifying all of the operators adjoining the entire Section 2-24N-6W as follows:

Superior Oil Company, 721 Zuni Drive, Farmington, New Mexico  
Petro Atlas-El Dorado, 729 East Main, Farmington, New Mexico  
El Paso Natural Gas Co., Box 997, Farmington, New Mexico  
Kay Kimball, Box 1240, Fort Worth, Texas  
Victor Salazar, 324 Simms Building, Albuquerque, New Mexico

Yours very truly,

(Signed) GEORGE W. SELINGER

George W. Selinger

GWS/ab

Gas Unit-34.95ac.-Dakota

RIO ARriba COUNTY NEW MEXICO

Oil Unit-50.91ac.-Gallup

SCALE 1"=4000'

