

# Northern Minerals, Inc.

TELEPHONE (505) 983-9889

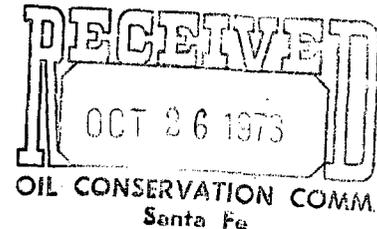
P. O. Box 2182

SANTA FE, NEW MEXICO 87501

October 18, 1973

LLOYD DAVIDSON  
President

Mr. A. L. Porter, Jr., Secretary-Director  
New Mexico Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87501



Dear Sir:

Request is hereby made for an exception to the well location requirements for a well Northern Minerals, Inc., proposes to drill in section 27, T17N-R6W, McKinley County, New Mexico. The well will be called Northern Minerals, Inc., No. 1 Chico.

Northern Minerals, Inc., had intended drilling this well 330' FNL and 330' FEL of the NE $\frac{1}{4}$  SE $\frac{1}{4}$  of said section. However, after investigation on the ground, it has been found that it will be impossible to drill the well at this location because it falls in the bed of the North Fork of the Chico creek. See attached map #1.

If the well is drilled without an exception to the location requirements, it will have to be drilled 1840' FSL and 525' FEL of said section. Because of geological considerations, it is desired to drill the well closer to the NE corner of said NE $\frac{1}{4}$  SE $\frac{1}{4}$  section 27 than this location. See attached map #2.

The well can be drilled at a point 2525' FSL and 380' FEL of said section 27 (115' FNL and 380' FEL of NE $\frac{1}{4}$  SE $\frac{1}{4}$  of section 27) and not be in the creek bed. Northern Minerals, Inc., requests permission to drill the well at this location.

The well will be drilled on a lease now owned by Tenneco Oil Company. Northern Minerals, Inc., has a farmout agreement with Tenneco the nature of which is that Tenneco will assign said lease insofar as it covers the E $\frac{1}{2}$  SE $\frac{1}{4}$  of section 27 (together with other tracts) provided Northern Minerals establishes commercial production of oil or gas on said tract. If Tenneco assigns said tract to Northern Minerals, Tenneco will retain ownership of the E $\frac{1}{2}$  NE $\frac{1}{4}$  of said section, and the south boundary line of this retained tract is 115' from the proposed location. Tenneco will also own the northwest, west and south offsets to said E $\frac{1}{2}$  SE $\frac{1}{4}$

Beard Oil Company and John M. Beard own the east offset to said proposed well in that they own the lease covering all of section 26, T17N-R6W. The west boundary line of section 26 is 80' from the proposed location. See attached map #3 showing the ownership of leases.

No wells have been drilled on tracts offsetting the proposed location.

The above named companies have waived notice of this application and have asserted that, if said permit to drill is granted, it will not be claimed that Northern Minerals, Inc., has obtained an advantage over them by reason of the granting of such permit.

For the foregoing reasons, it is requested that Northern Minerals, Inc., be granted a permit to drill its No. 1 Chico well at the point 2525' FSL and 380' FEL of section 27, T17N-R6W, McKinley County, New Mexico.

Very truly yours,

Northern Minerals, Inc.

By Lloyd Davidson  
Lloyd Davidson, President

Mr. A. L. Porter, Jr., Secretary-Director  
New Mexico Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87501

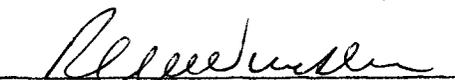
Dear Sir:

Tenneco Oil Company has been furnished with a copy of a letter by Northern Minerals, Inc., to the Secretary-Director of the New Mexico Oil Conservation Commission, dated October 18, 1973, wherein it is requested that an exception to the well location requirements be granted and that a permit be issued for the drilling of a well 2525' FSL and 380' FEL of section 27, T17N-R6W, McKinley County, New Mexico.

Tenneco Oil Company hereby waives notice of said application for permit to drill and asserts that, if said permit is granted, it will not be claimed that Northern Minerals, Inc., has obtained an advantage over Tenneco by reason of the granting of such permit.

Very truly yours,

Tenneco Oil Company

By:   
District Landman

Date: 10-24-73

Mr. A. L. Porter, Jr., Secretary-Director  
New Mexico Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87501

Dear Sir:

Beard Oil Company and John M. Beard, the undersigned, have been furnished with a copy of a letter by Northern Minerals, Inc., to the Secretary-Director of the New Mexico Oil Conservation Commission, Dated October 18, 1973, wherein it is requested that an exception to the well location requirements be granted and that a permit be issued for the drilling of a well 2525' FSL and 380' FEL of section 27, T17N-R6W, McKinley County, New Mexico.

The undersigned hereby waive notice of said application for permit to drill and assert that, if said permit is granted, it will not be claimed that Northern Minerals, Inc., has obtained an advantage over them by reason of the granting of such permit.

Very truly yours,

Beard Oil Company

By: WMB Beard

Date: 10-24-74

John M. Beard  
John M. Beard

Date: OCT 23 1973



