

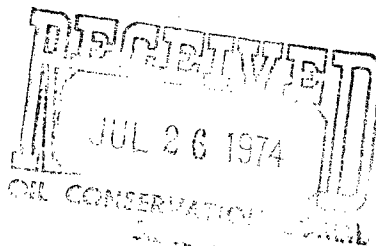


HOUSTON OIL & MINERALS CORPORATION

July 22, 1974

NSL-674

104 D II



Blue Room

State Land

Mr. J. E. Kaptenia
State Land Office Building
Santa Fe, New Mexico 87501

RE: Exception to Location Requirement
Houston Oil & Minerals
State Lease No. 3724 Well No. 1
Township 14 S R 10E
Otero County, New Mexico

*1160' FWL & 2198' FSL
of Section 36 T14 South-10 East
State 3724 Well No 1*

Gentlemen:

Enclosed you will find plats showing the Offset Operators and a zerox copy of the U.S.C. & G.S. survey topographic map showing the location of the subject well.

A letter from Phillips Petroleum granting a waiver to this location exception has been mailed to your office by Mr. Paul E. Hanna.

If you need any additional information, please contact me.

Yours very truly,

HOUSTON OIL & MINERALS CORP.

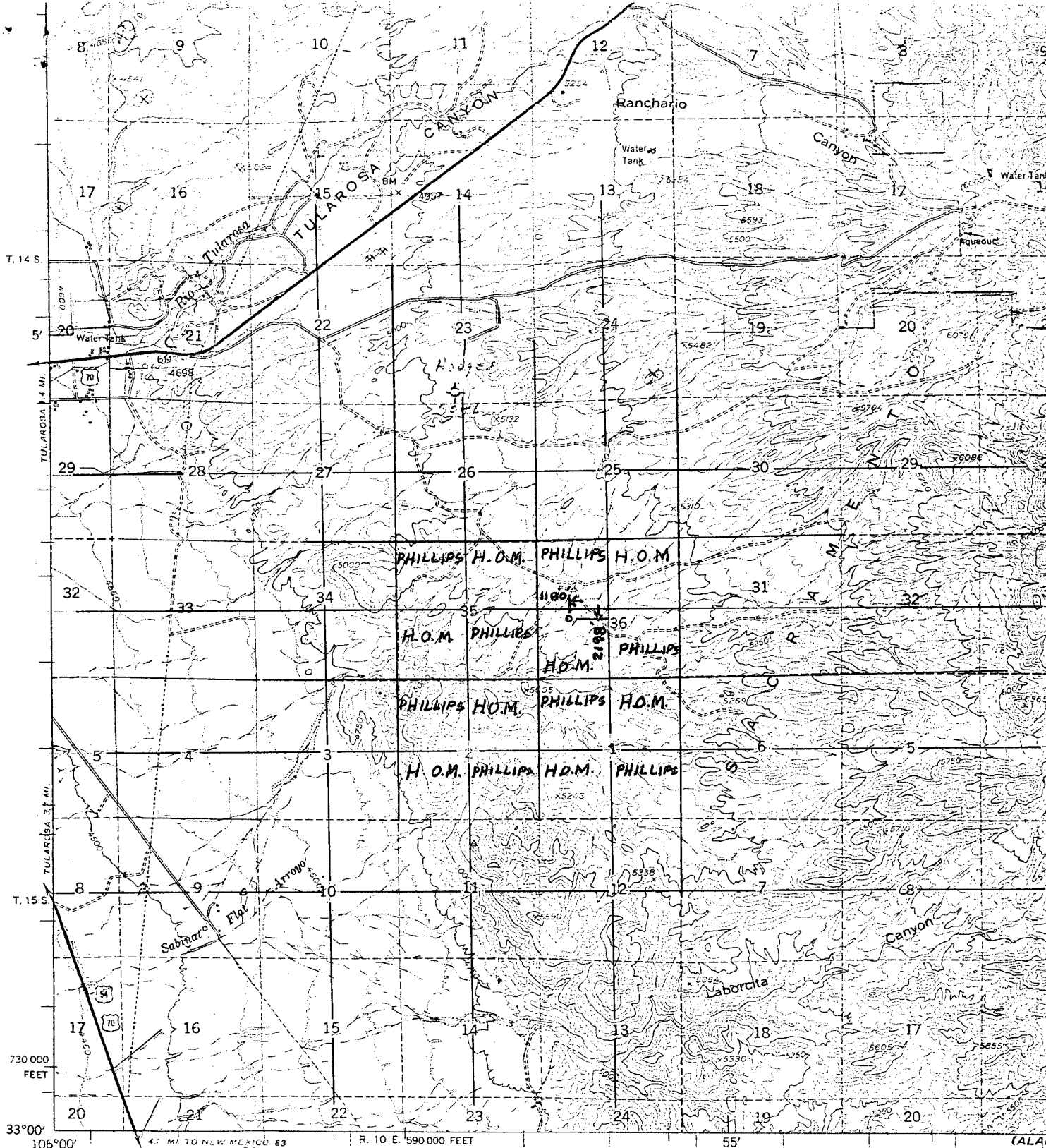
William M. Hazard

William M. Hazard
Drilling Division Manager

WMH:gay
Encl.

cc: Mr. W. A. Gressett

*Sent signed copies of e-102
to Antea Office*



Mapped by the Army Map Service
Published for civil use by the Geological Survey

Control by USC&GS, USGS, and USCE

Topography from aerial photographs by multiplex methods
Aerial photographs taken 1948-49. Field check 1950

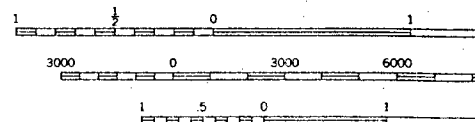
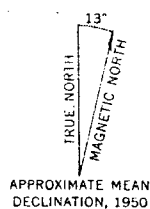
Polyconic projection. 1927 North American datum
10,000-foot grid based on New Mexico coordinate system,
central zone

Dashed land lines indicate approximate locations

Unchecked elevations are shown in brown

Locations of all boundaries are approximate

1000-meter Universal Transverse Mercator grid ticks,
zone 13, shown in blue



CONTOUR
DATUM IS

THIS MAP COMPLIES WITH N
FOR SALE BY U. S. GEOLOGICAL SURVEY, D
A FOLDER DESCRIBING TOPOGRAPHIC M

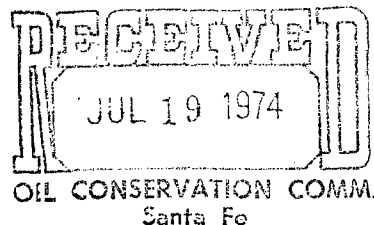


PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

July 17, 1974



State of New Mexico
Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico 87501

Attention: Mr. J. E. Kapteina

Re: Tularosa Area
Otero County, New Mexico

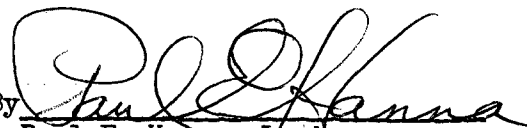
Gentlemen:

Reference is made to our telephone conversation of this date concerning Houston Oil and Minerals Corporation's filing of a well location at 1160 feet from the west line and 2200 feet from south line of Section 36-14S-10E, Otero County, New Mexico.

This is to advise that Phillips Petroleum Company, a holder of offset oil and gas leases, hereby waives its objection to this non standard well location.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

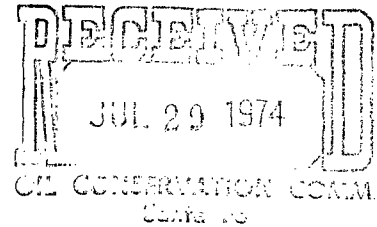
By 
Paul E. Hanna, Landman

PEH:ch



HOUSTON OIL & MINERALS CORPORATION

July 26, 1974



Mr. J. E. Kapteina
Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

RE: HO&M No. 1 S.L. 3724
Otero County, New Mexico

Gentlemen:

My reasons for locating the subject well in discord with the regular New Mexico spacing pattern are as follows:

This well is located on a knoll. Terrain immediately South and West of the location drops into an arroyo. To the East of the location, elevation increases and then drops off into another arroyo. To the North, the elevation increases and this is also a more unfavorable geological location.

I apologize for the inconvenience and wish to take this opportunity to thank you for your assistance in this matter. If you should require any further information, please advise.

Yours very truly,

HOUSTON OIL & MINERALS CORP.

William M. Hazard
Drilling Div. Manager

WMH:gay
Encls.

cc: Mr. W. A. Gressett
Drawer DD
Artesia, New Mexico 88210

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

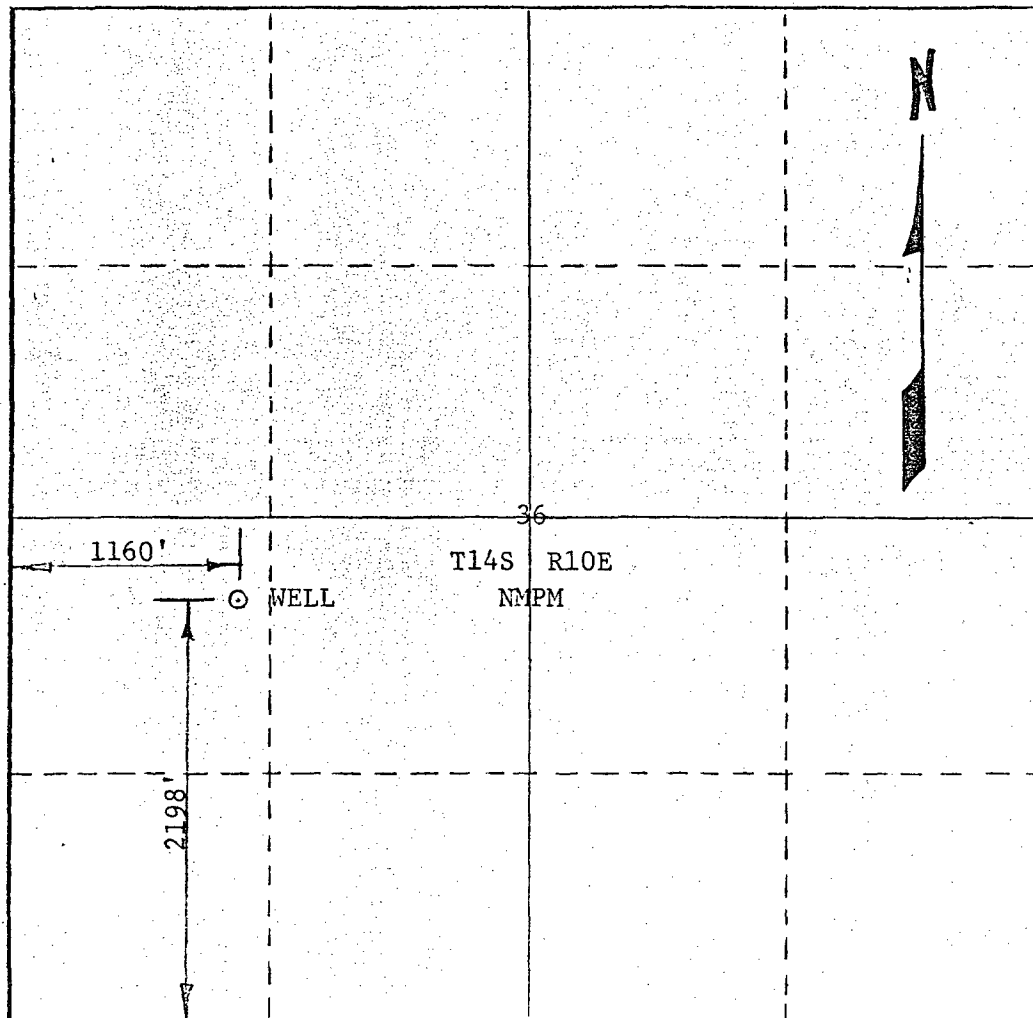
Operator Houston Oil & Minerals Corp.			Lease HOSM State Lease 3724		Well No. 1
Unit Letter	Section 36	Township 14 South	Range 10 East	County Otero	
Actual Footage Location of Well:					
1160	feet from the	West	line and	2198	feet from the South line
Ground Level Elev. 5053	Producing Formation Wildcat		Pool Wildcat		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

William M. Hazard
Name

William M. Hazard
Position
Drilling Div. Manager

Company
Houston Oil & Minerals Corp.

Date
July 26, 1974

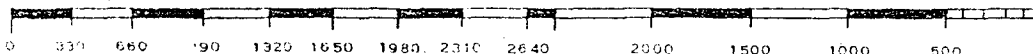
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
July 11, 1974

Registered Professional Engineer and/or Land Surveyor

Quinton E. Daniel
Certificate No.

1359 New Mexico



OIL CONSERVATION COMMISSION
Artesia DISTRICT

NSL-674

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

DATE 7-29-74

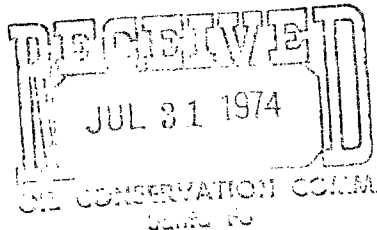
Re: Proposed NSP _____

Proposed NWU _____

Proposed NSL X _____

Proposed NEO _____

Proposed DC _____



Gentlemen:

I have examined the application dated 7-22 + 7-26-74
for the Houston Oil & Minerals Corp. State 3724 #1-L-36-14s-10c
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

Approval

Yours very truly,

W. A. Gussett