

PAN AMERICAN PETROLEUM CORPORATION

MAIN OFFICE OCC

P. O. Box 480, Farmington, New Mexico
March 21, 1966

MAR 23 PM 1 04

File: E-114-986.510.1

Subject: Application For Approval of
Unorthodox Location - Pan
American Petroleum Corporation's
Gallegos Canyon Unit No. 236
Basin Dakota Field
San Juan County, New Mexico

Mr. A. L. Porter, Jr. (2)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

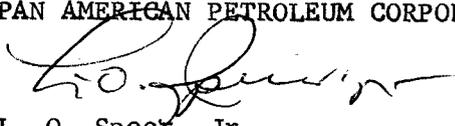
Pan American Petroleum Corporation hereby makes Application For Approval of an Unorthodox Location for its Gallegos Canyon Unit No. 236, Basin Dakota Gas Pool, San Juan County, New Mexico, in exception to Rule 2 of Order No. R-1670-C. The unorthodox location is 510 feet from the south line and 615 feet from the east line of Section 14, T-28-N, R-13-W, San Juan County, New Mexico.

It is desired to drill the subject Gallegos Canyon Unit No. 236 in the SE/4 of Section 14, T-28-N, R-13-W, with the S/2 of Section 14, comprising 320 acres, being dedicated to the well. As shown on the attached Well Location and Acreage Dedication Plat, the terrain in the SE/4 of Section 14 is extremely rough and an orthodox Basin Dakota Pool location could not be built with reasonable cost. Therefore, it is requested that the above unorthodox location be approved for drilling.

All acreage within the section of the proposed location is within the Gallegos Canyon Unit and the proposed location is unorthodox toward additional Gallegos Canyon Unit acreage to the south and east. Copies of this letter are being sent by Certified Mail to offset operators to the west. As shown on the attached map, the proposed unorthodox location will not be too close to any existing or future Basin Dakota wells to be drilled, as the nearest wells are the Gallegos Canyon Unit No. 237, which is located 885 feet from the south line and 1485 feet from the west line of Section 13, and the Gallegos Canyon Unit No. 238, which is 2360 feet from the north line and 790 feet from the east line of Section 23, both in T-28-N, R-13-W. These latter wells are staked but not yet drilled.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION


L. O. Speer, Jr.
Area Superintendent

FHH:en
Attach.

cc: Mr. E. C. Arnold, NMOCC, Aztec, New Mexico
Aztec Oil & Gas Co., Drawer 570, Farmington, New Mexico
Texaco, Inc., Box 810, Farmington, New Mexico

NSL-374
20 days
[Signature]

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT MAIN OFFICE 000

All distances must be from the outer boundaries of the Section

| | | | | | | | |
|--|-------------------------------|-------------------------------|----------------------|--------------------|--------|---------------------------------|----|
| Operator Pan American Petroleum Corporation | | Lease Gallegos Canyon Unit | | | MAR 23 | Well No. 236 | 04 |
| Unit Letter P | Section 14 | Township 28 North | Range 13 West | County San Juan | | | |
| Actual Footage Location of Well: 510 feet from the South line and 615 feet from the East line | | | | | | | |
| Ground Level Elev. Report Later | Producing Formation Dakota | | Pool Basin Dakota | | | Dedicated Acreage: 320 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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?

(X) Yes () No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually 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

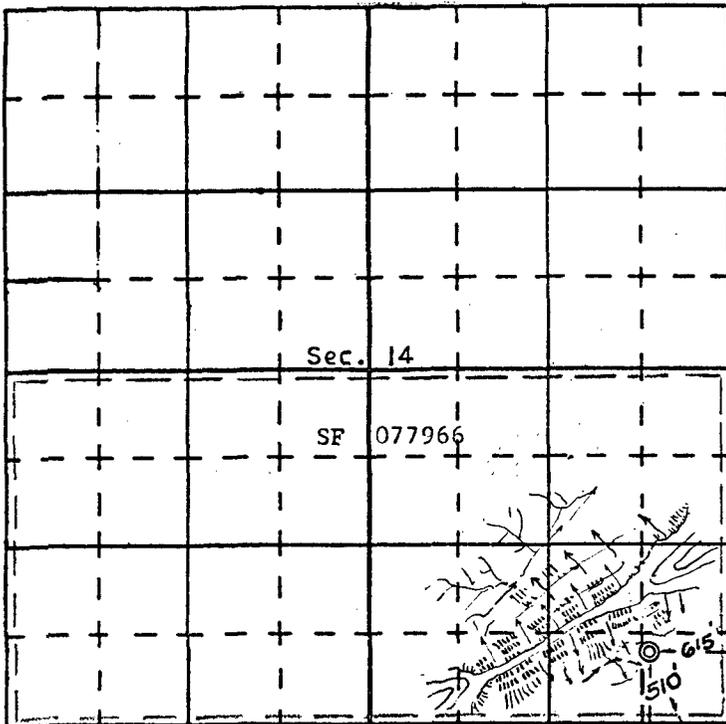
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

G. W. Eaton, Jr.
Name
G. W. Eaton, Jr.
Position
Area Engineer
Company
PAN AMERICAN PETROLEUM CORP.
Date
March 21, 1966

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

Ernest V. Echobank
Date Surveyed
March 17, 1966
Registered Professional Engineer
and/or Land Surveyor

Ernest V. Echobank
Certificate No. 3602



TEXACO
INC.

MAIN OFFICE OCC

PETROLEUM PRODUCTS

MAR 31 PM 12:58

DOMESTIC PRODUCING DEPARTMENT
DENVER DIVISION



P. O. BOX 2100
DENVER COLO. 80201

J. F. NEILL, ASSISTANT DIVISION MANAGER

March 28, 1966

UNORTHODOX LOCATION
GALLEGOS CANYON UNIT NO. 236
BASIN DAKOTA GAS POOL

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

Texaco has reviewed the letter application of Pan American Petroleum Corporation dated March 21, 1966, relative to an unorthodox location for the Gallegos Canyon Unit No. 236, Basin Dakota Gas Pool, San Juan County, New Mexico.

As an offset operator, Texaco has no objections to Pan American's application.

Yours very truly,

LEB:BF

CC: Pan American Petroleum Corporation
P. O. Box 480
Farmington, New Mexico

NSL
file
[Signature]

OIL CONSERVATION COMMISSION
3 DISTRICT

MAIN OFFICE OCC

MAR 24 PM 1:07

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

DATE 3-23-66

Re: Proposed NSP _____

Proposed NWU _____

Proposed NSL _____

Proposed NFO _____

Proposed DC _____

Gentlemen:

I have examined the application dated _____

for the Pan American Pet. Corp. Gulley's Canyon Unit #286 P1428-13
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

approval

Yours very truly,

Ernest C. Avelar