

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

NOV 10 1969

November 5, 1969

File: AMR-2085-986.511

Re: Unorthodox Well Location
U.S.G. Section 18, Well No. 32
Hogback-Dakota Pool
San Juan County, New Mexico

Mr. A. L. Porter, Jr. (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Pan American Petroleum Corporation respectfully request administrative approval to drill the U.S.G. Section 18, Well No. 32, a Hogback-Dakota Field well, at a location 185 feet from the south line and 2383 feet from the east line of Section 18, Township 29 North, Range 16 West, San Juan County, New Mexico. In accordance with the provisions of Rule 2 of the Hogback-Dakota Pool rules under Order No. R-3296, dated August 15, 1967, the proposed well would be located no nearer than 165 feet to the outer boundary of the quarter-quarter section on which it is located, but it is nearer than 300 feet to another well producing from the same pool.

A map of the Hogback-Dakota Pool and a copy of Form C-102 with the above well location indicated thereon are attached. As can be seen, Well No. 32 is located 182 feet from Well No. 8 and therefore is unorthodox. As Well No. 8 is not producing at top allowable rates and efforts to increase production by working over the well or installing pumping equipment have been unsuccessful, we would like to drill a second well in this proration unit to the southwest of Well No. 8, to supplement its production up to top allowable rates. As the location of Well No. 8 and the terrain in this area prohibits the use of an orthodox well location to the southwest of Well No. 8, we request approval of the location proposed above.

Rule 3 of the Hogback-Dakota Pool rules provides that the Secretary-Director of the Commission shall have authority to grant exceptions to Rule 2 without notice and hearing where an application therefore has been filed in due form and the necessity for the exception is based on topographical conditions. The proposed unorthodox well location is required due to the location of Well No. 8

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which was drilled in 1924, and to the location of the Chaco Wash and other topographical conditions. There are no operators owning acreage within 330 feet of the proposed location, but there is an operator having acreage that offsets the proration unit concerned. Copies of this application are being sent by certified mail to Mr. W. C. Imbt, Farmington, New Mexico, and it is requested that he waive any objections to the drilling of the proposed location.

A copy of this application is also being mailed to the United States Geological Survey, as representatives of the Navajo Indian Tribe who is the royalty interest owner. By copy of this letter, it is requested that the United States Geological Survey advise the Secretary-Director of the New Mexico Oil Conservation Commission if they approve of the drilling of the proposed unorthodox well location. "An Application for Permit to Drill, Deepen, or Plug-Back" has been filed by our Farmington, New Mexico office.

If no objections are received, we respectfully request that you approve the unorthodox location of the proposed U.S.G. Section 18, Well No. 32, Hogback Dakota Pool, San Juan County, New Mexico, without notice and hearing.

Very truly yours,



Attachments

cc: Mr. W. C. Imbt (2)
210 West 38th Street
Farmington, New Mexico 87401

Mr. E. C. Arnold (2)
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

United States Geological Survey (2)
P. O. Box 965
Farmington, New Mexico

United States Geological Survey (2)
Drawer 1857
Roswell, New Mexico

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

Form C-102
Supersedes C-120
Effective 1-1-65

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

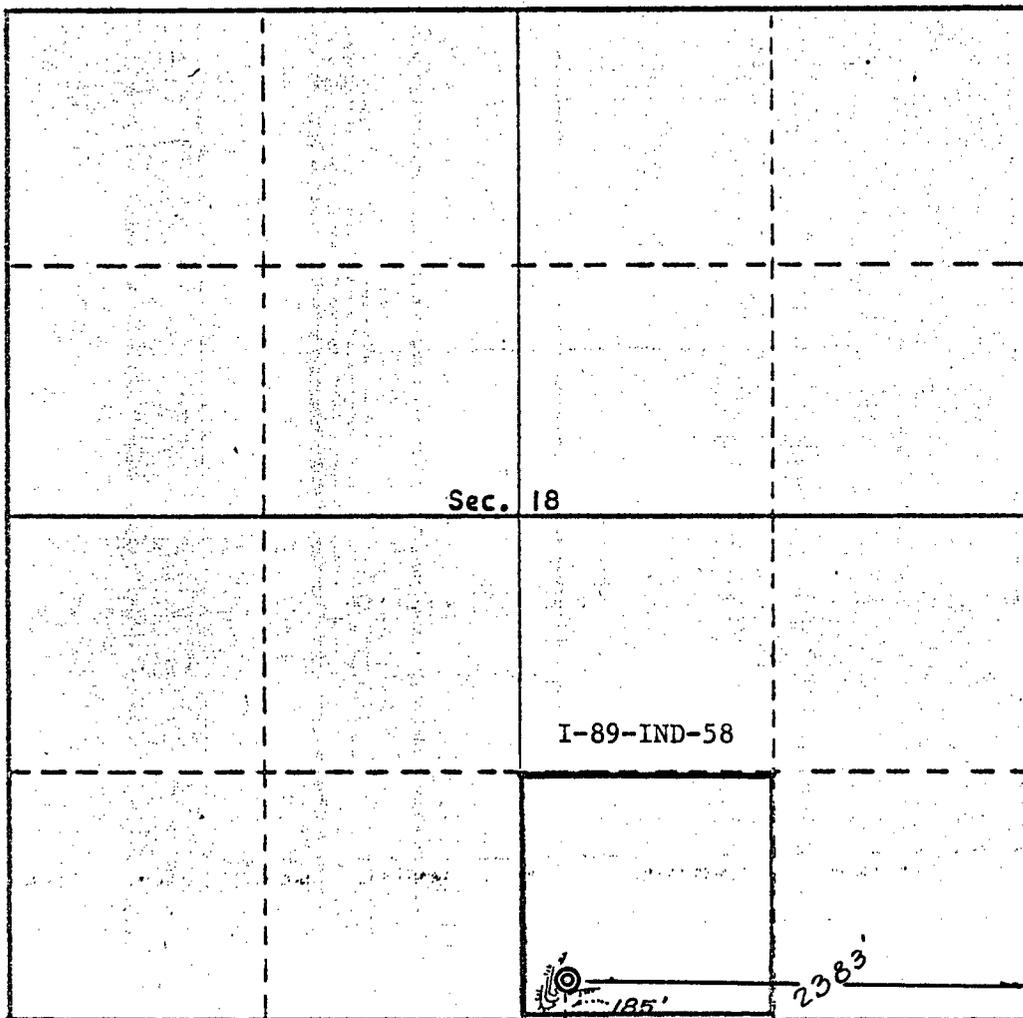
Operator PAN AMERICAN PETROLEUM CORPORATION			Lease U.S.G. Section 18		Well No. 32
Unit Letter 0	Section 18	Township 29 North	Range 16 West	County San Juan	
Actual Footage Location of Well: 185 feet from the South line and 2383 feet from the East line					
Ground Level Elev. Report Later	Producing Formation Dakota		Pool Hogback Dakota		Dedicated Acreage: 40 (Joint) 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?

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
<i>L. R. Cheson</i>	
Name	Petroleum Engineer
Position	Pan American Petr. Corp.
Company	November 3, 1969
Date	
Date Surveyed	May 23, 1969
Registered Professional Engineer and/or Land Surveyor	
<i>E. J. ...</i>	
Certificate No. 3602	

OIL CONSERVATION COMMISSION
3 DISTRICT

DEC 12 1969

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 12-9-69

Re: Proposed NSP _____

Proposed NWU _____

Proposed NSL ✓ _____

Proposed NFO _____

Proposed MC _____

Gentlemen:

I have examined the application dated 11-5-69

for the Pan American Pet. Corp VSG Sec 18 #32 0-18-29N-16W
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

Topography verified - approve

Yours very truly,

Ernest C. Jones

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Drawer 1857
Roswell, New Mexico 88201

November 20, 1969

450

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Gentlemen: Your letter of November 5 requests approval of an unorthodox

location for Dakota well No. 32, located on Navajo tribal lease
No. I-89-Ind-58 in the SW 1/4 sec. 18, T. 29 N., R. 16 W., San Juan
County, New Mexico, Hogback Dakota field. Such location is
acceptable to this office.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc: NMOCC, Santa Fe
Farmington



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

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November 19, 1969

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999

Gentlemen:

Receipt is acknowledged of a Designation of Sub-Operator by which El Paso Natural Gas Company, unit operator of the Rosa unit, designates Pan American Petroleum Corporation as sub-operator for the drilling of a Dakota well in the N $\frac{1}{2}$ sec. 8, T. 31 N., R. 5 W., N.M.P.M., Rio Arriba County, New Mexico.

The designation is hereby accepted as a Designation of Agent from El Paso Natural Gas Company. Such acceptance does not relieve El Paso of its responsibility as unit operator to assume operation of any well on the above-described land that is determined to qualify for inclusion in the Dakota participating area.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:

Pan American Petroleum Corporation
Security Life Building
Denver, Colorado 80202

Washington (w/cy designation)
BLM, Santa Fe (w/cy designation)
Durango (w/cy designation)
Com. of Pub. Lands, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only) ✓

WILLIAM C. IMBT

GEOLOGIST

210 W. 38th STREET
FARMINGTON, NEW MEXICO 87401

Phone (505) 325-1584

November 10, 1969

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Mr. A. L. Porter, Jr.
New Mexico Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico - 87501

Dear Mr. Porter:

I have received copies of a request made by Pan American Petroleum Corporation for an unorthodox well location to be known as U.S.G. Section 18 Well No. 32, Hogback Dakota pool. This well is to be located 185 feet from the south line and 2383 feet from the east line of Section 18, T-29-N, R-16-W.

This letter is to advise that I have no objection to the Commission granting approval for the drilling of this unorthodox location.

Very truly yours,



W. C. Imbt

WCI:sb

cc: Mr. R. B. Giles
Pan American Petroleum Corporation
Security Life Building
Denver, Colorado - 80202

Mr. L. O. Speer, Jr.
Pan American Petroleum Corporation
501 Airport Drive
Farmington, New Mexico - 87401