

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico

February 11, 1964 FEB 17 AM 8:34

File: N-88-986.510.1

Subject: Corrected Well Location
 Non-Standard Dakota Gas Unit
 Gallegos Canyon Unit -
 Dakota No. 159
 W/2 Section 31, T-28N, R-12W
 San Juan County, New Mexico

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

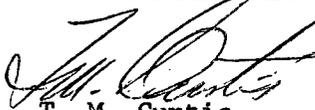
Dear Sir:

Please refer to our letter of February 5, 1964, File: N-72-986.510.1, and your letter of February 7, 1964, Administrative Order NWU-496, concerning approval of a 304-acre non-standard gas proration unit in the Basin Dakota Gas Pool consisting of the W/2 of Section 31, T-28-N, R-12-W, San Juan County, New Mexico.

This is to advise that there has been a slight correction in the location of the Gallegos Canyon Unit - Dakota Well No. 159, from 1680 feet from the north line and 1850 feet from the west line to 1765 feet from the north line and 1585 feet from the west line of said Section 31. Corrected copies of New Mexico Oil Conservation Commission Form C-128 showing the correct well location are attached.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



T. M. Curtis
 District Superintendent

FHH:en
 Attachment

cc by Registered Mail:
 Benson-Montin-Greer Drilling Corporation
 Petroleum Center Building
 Farmington, New Mexico

cc: Mr. E. C. Arnold
 NMOCC
 Aztec, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date FEBRUARY 10, 1964

Operator PAN AMERICAN PETROLEUM CORPORATION Lease GALLEGOS CANYON UNIT
Well No. 159 Unit Letter F Section 31 Township 28 NORTH Range 12 WEST, NMPM
Located 1765 Feet From NORTH Line, 1585 Feet From WEST Line
County SAN JUAN G. L. Elevation REPORT LATER Dedicated Acreage 304 Acres
Name of Producing Formation DAKOTA Pool BASIN DAKOTA

- 1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
Yes No X
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X No
Gallegos Canyon Unit
3. If the answer to question two is "no", list all the owners and their respective interests below:

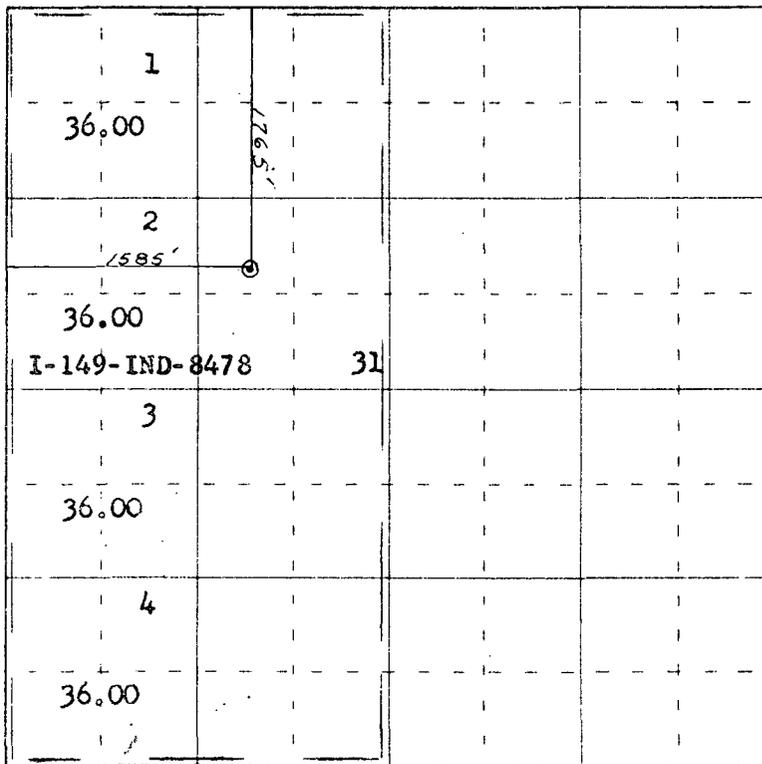
Owner Land Description

Section B.

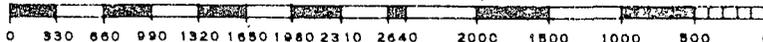
Note: All distances must be from outer boundaries of section.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

PAN AMERICAN PETROLEUM CORP.
F. H. Hollingsworth (Operator)
F. H. Hollingsworth (Representative)
P. O. Box 480 (Address)
Farmington, New Mexico



Ref: GLO Plat dated July 19, 1915



Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed 25 January 1964

James P. Leese
Registered Professional Engineer and, or Land Surveyor
New Mexico Reg. No. 1463

(Seal)

Farmington, New Mexico

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico
February 5, 1964

File: N-72-986.510.1

Subject: Unorthodox Dakota Gas Unit
Gallegos Canyon Unit -
Dakota No. 159
W/2 Section 31, T-28N, R-12W
San Juan County, New Mexico

1964 FEB 6 AM 8 10

RECEIVED

*NW 4
now
[Signature]*

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

Dear Sir:

Pan American Petroleum Corporation respectfully requests Administrative Approval of a 304-acre non-standard gas proration unit to consist of the W/2 of Section 31, T-28-N, R-12-W, San Juan County, New Mexico. In accordance with the provisions of Rule 5 (B) of Item A, Well Location and Acreage Requirements, under the Special Rules and Regulations for the Basin Dakota Gas Pool of NMOCC Order No. R-1670-C, the requested non-standard proration unit is due to the unorthodox size of the tract due to variation in the legal subdivisions of the United States Public Lands Survey. The following provisions are complied with:

1. The non-standard unit consists of contiguous quarter-quarter sections or lots (see attached Form C-128 dated February 4, 1964).
2. The non-standard unit lies wholly within a governmental section.
3. The entire non-standard unit may reasonably be presumed to be productive of gas (see attached map dated February 5, 1964).
4. The length or width of the non-standard unit does not exceed 5280 feet.

The requested 304-acre non-standard gas proration unit is necessitated by the occurrences of lots smaller than 40 acres along the western edge of Section 31, T-28-N, R-12-W. A copy of NMOCC Form C-128 (Well Location and Acreage Dedication Plat) shows the proposed location 1680 feet from the north line and 1850 feet from the west line of Section 31 in the proposed W/2 Section 31 gas unit. All of this acreage lies within the confines of the Gallegos Canyon Unit and is committed to it. A map showing the proposed location in relation to other Basin Dakota Pool wells is also attached, which indicates that the entire non-standard unit may reasonably be presumed to be productive of gas.

Page 2
Mr. A. L. Porter, Jr. (3)

February 5, 1964
N-72-986.510.1

A copy of this Application has been forwarded by Certified Mail to Benson-Montin-Greer Drilling Corporation of Farmington, New Mexico, who has acreage offsetting the proposed Dakota gas unit to the southwest. Pan American is the operator of all remaining acreage offsetting the proposed Dakota gas unit.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION


T. M. Curtis
District Superintendent

FHH:en
Attach.

cc by Certified Mail:
Benson-Montin-Greer Drilling Corporation
Petroleum Center Building
Farmington, New Mexico

cc: Mr. E. C. Arnold
NMOCC
Aztec, New Mexico

Well Location and Acreage Dedication Plat

Section A.

Date FEBRUARY 4, 1964

Operator PAN AMERICAN PETROLEUM CORPORATION Lease GALLEGOS CANYON UNIT - DAKOTA
Well No. 159 Unit Letter Section 31 Township 28 NORTH Range 12 WEST, NMPM
Located 1680' Feet From NORTH Line, 1850 Feet From WEST Line
County SAN JUAN G. L. Elevation REPORT LATER Dedicated Acreage 304 Acres
Name of Producing Formation DAKOTA Pool BASIN DAKOTA

- 1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
Yes No X
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X No If answer is "yes", Type of Consolidation.
Gallegos Canyon Unit

3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner Land Description

Section B.

Note: All distances must be from outer boundaries of section.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

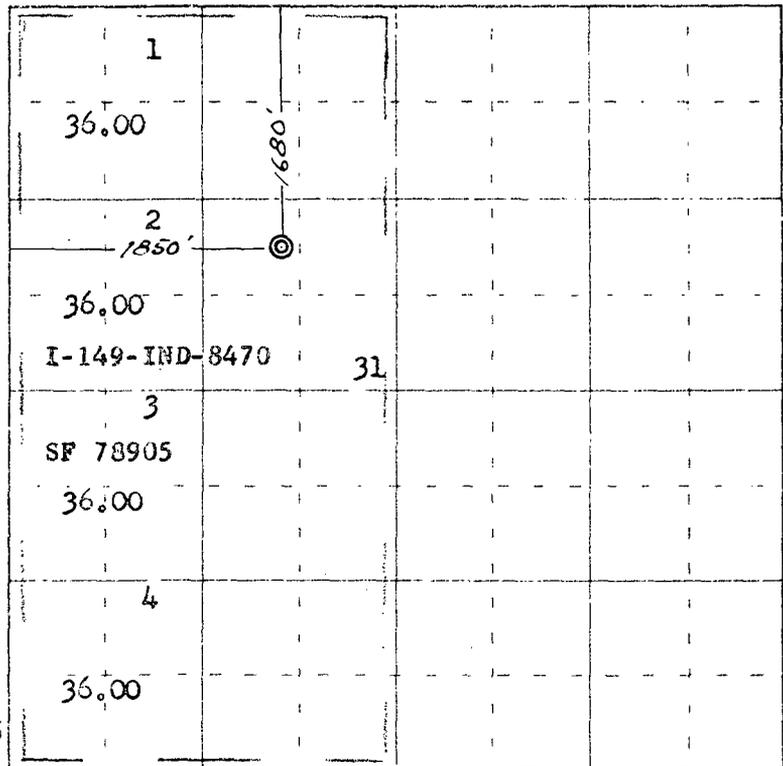
PAN AMERICAN PETROLEUM CORP.

F. H. Hollingsworth (Operator)

F. W. Hollingsworth (Representative)

P. O. Box 480 (Address)

Farmington, New Mexico



Ref: GLO plat dated 19 July 1915



Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed 25 January 1964

James P. Leese, Reg. No. 1463 San Juan Engineering Company

Seal Farmington, New Mexico