

NORTH AMERICAN EXPLORATION CORP.

FIRST STATE BANK BUILDING
ABILENE, TEXAS 79604

POST OFFICE BOX 23

September 27, 1972

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

Dear Mr. Porter:

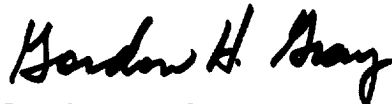
Enclosed is an acreage ~~plot~~ on the Tesoro Petroleum Corporation #1 Double Ought, #1N12226W, Sandoval County, New Mexico, showing lease ownership in Section 12, T22N R6W. The State of New Mexico owns all royalty in Section 12.

You will note that the subject well is 1045 feet from the south line, which is only 275 feet from the north 40 acre line. This well has been completed as a Gallup Sand Oil Well at a depth of 5300 to 5365 feet.

This location was drilled with irregular spacing because of the cliff shown on the attached U. S. G. S. Topographical Map shot, and no other legal location was economically possible on the 40 acre unit. It is requested that you approve an exception to Statewide Rule 104, in order that this well may be granted an oil allowable.

Very truly yours,

NORTH AMERICAN EXPLORATION CORP.



Gordon H. Gray

GHG/kj

cc: Mr. Emery Arnold ✓

