

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 20, 1956

Blackwood and Nichols Company
P. O. Box 1237
Durango, Colorado

Attention: Mr. DeLasso Loos

Administrative Order NSL-51

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your Northeast Blanco Unit Well No. 40-36 to be located 1720 feet from the north line and 1940 feet from the east line and in the SW/4 NE/4 of Section 36, Township 31 North, Range 8 West, Blanco Mesaverde Gas Pool, San Juan County, New Mexico.

It is our understanding that this unorthodox well location is based upon extreme topographic conditions in the NE/4 of said section.

Inasmuch as there are no other offset operators, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Section 1 (c) of the Special Rules and Regulations of the Blanco Mesaverde Gas Pool, as set forth in Order R-110 as amended by Order R-397, you are hereby granted an exception for the above described unorthodox well location. You must also obtain like approval from the U. S. Geological Survey.

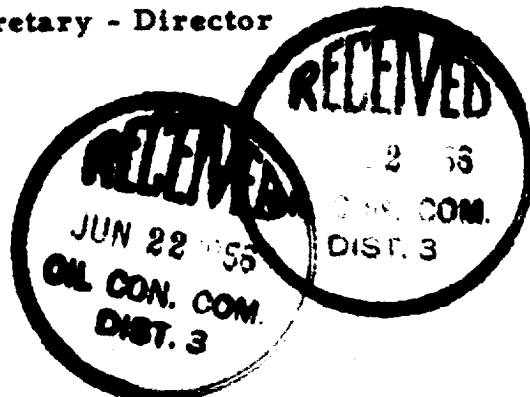
Very truly yours,

A. L. PORTER, JR.,
Secretary - Director

WWM:ds

cc: Oil Conservation Commission
Aztec, New Mexico

U. S. Geological Survey - Farmington



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San Antonio, Texas

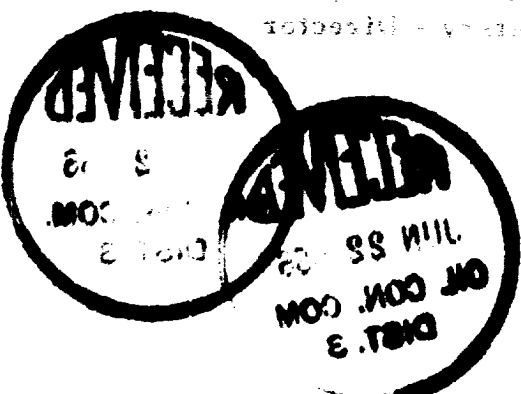
Dear Sirs:

I am writing to you regarding the matter of the oil conservation commission. I have been informed that you are interested in the subject of the oil conservation commission and I am writing to you to inform you of the same.

The oil conservation commission is a body which is established by the state of Texas. Its purpose is to conserve the oil resources of the state and to promote the efficient use of the same. The commission is composed of representatives of the oil industry, the state, and the public. It is the duty of the commission to study the oil resources of the state and to make recommendations to the state regarding the conservation of the same.

Sincerely,
[Signature]

Secretary - Director



Oil Conservation Commission
San Antonio, Texas

Very truly yours,
[Signature]