

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 18, 1955

Mr. R. H. Martin  
Kutz Canon Oil & Gas Company  
U. S. National Bank Building  
DENVER, COLORADO

Dear Sir:

Reference is made to your letter of April 14, 1955, pertaining to your well located in SW/4 SE/4 Section 20, Township 28 North, Range 10 West. Inasmuch as this well is located approximately five miles outside the Blanco-Mesaverde Pool boundary, you are governed by the statewide spacing rules pertaining to the drilling or recompletion of wildcat wells applicable to San Juan County. This rule requires a 160-acre tract.

Inasmuch as your well obviously fits the wildcat spacing rule, you are hereby granted permission to recomplete the well. However, please bear in mind that in the event your well is recompleted as a Mesaverde producer, and the pool boundary is eventually extended to include your well, you will have to conform with the provisions of the pool rules for the Blanco-Mesaverde Pool, and in all probability you will have to either form a 320-acre unit with the owner of either the NE/4 or SW/4 of Section 20, or else apply for a 160-acre proration unit for your well, in which event you will receive only one-half the allowable normally assigned a well in the Blanco-Mesaverde Pool.

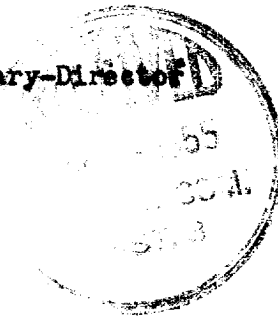
Very truly yours,

WBM:nr

W. B. Macey, Secretary-Director

cc: OCC, Aztec

Mr. P. T. McGrath  
U. S. Geological Survey  
Farmington, N M



# COMMISSION ON THE OIL INDUSTRY

REPORT OF THE

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