MAIN OFFICE OCCDELHI-TAYLOR OIL CORPORATION

CORRIGAN TOWER

1956 SEP 24 AM 8:35

DALLAS I, TEXAS

September 5, 1956

El Paso Natural Gas Company P. O. Box 997 Farmington, New Mexico

Attention: Mr. E. J. Coel

Your Johnston No. 2 Re:

NE/4 Section 9, T28N, R9W San Juan County, New Mexico Unorthodox Location

Dear Mr. Coel:

As requested in your letter of August 29, 1956, we are returning to you herewith two copies of your letter reflecting our approval of the unorthodox location of your Johnston No. 2 in the NE/4 Section 9, Township 28 North, Range 9 West, San Juan County, New Mexico, Delhi-Taylor being the offset operator.

Yours very truly,

DELHI-TAYLOR OIL CORPORATION

Land Department

RLC:ra Enclosure El Paso Natural Gas Company P. O. Box 997 Farmington, New Mexico

Attention: Mr. E. J. Coel

Senior Petroleum Engineer

Gentlemen:

We return herewith your letter of August 29, 1956, and the attachments thereto. Stanolind did not sign your letter in approval as per your request because our Fort Worth Office advised that Stanolind is no longer the operator of the W/2 of Section 33-29N-9W.

According to our Fort Worth Office, Stanolind quitclaimed all its interest to said tract unto David J. Simmons by instrument dated December 16, 1954.

Yours very truly,

STANOLIND OIL AND GAS COMPANY

New Mexico

Ben R. Kee

District Landman

JWD:bp Encls.

MAIN Of Flot 10 Paso Natural Gas Company

1555 SEP 24 M 8: 35

El Paso, Texas August 29, 1956

DIRECT REPLY TO

Mr. P. T. Bee, Vice President c/o Delhi-Taylor Oil Corporation Corrigan Tower St. Paul and Pacific Dallas, Texas

Dear Sir:

El Paso Natural Gas Company intends to drill the Johnston No. 2 in the NE/4 of Section 9, Township 28 North, Range 9 West, San Juan County, New Mexico, thru the Pictured Cliffs Formation.

This well will be located 1800' from the South Line and 870! from the East Line of Section 9. The well is offset by acreage which you operate as shown on the accompanying acreage plats. The portion of the section on which the well is located consists of high sendstone bluffs and a dry wash. These terrain conditions prevent the establishment of an orthodox location.

The Oil Conservation Commission of New Mexico requires that all unorthodox locations receive the approval of the offset operator. We therefore request your approval of this unorthodox location in the space provided below.

I am enclosing a Certified Well Location Plat sketching terrain conditions, a plat showing well location and position of offset acreage and an extra copy of this letter for your file.

If this meets with your approval, please signify by signing below and returning two copies to me.

Thank you for your consideration of this matter.

COPY

Yours very truly.

El Paso Natural Gas Company ORIGINAL SIGNED E. J. COEL

EJC:ajh Enclosure E. J. Coel Senior Petroleum Engineer

APPROVAL:

DELHI-TAYLOR OIL CORPORATION

HYPOTHING VICE President

Accig.

Prod.

APPROVED