LA PLATA GATHERING SYSTEM, ! 1940 MERCANTILE DALLAS BUILDING DALLAS I, TEXAS May 12, 1960 Mr. A. L. Porter, Jr., Secretary Oil Conservation Commission of the State of New Mexico Post Office Box 871 Santa Fe. New Mexico Dear Mr. Porter: Please find enclosed herewith Application of La Plata Gathering System, Inc., for an exception to Commission Rule Number 104(d)(2). We have attached to such Application, as Exhibit "C", consents executed by Frank A. Schultz, J. Glenn Turner, William G. Webb, and Benson-Montin-Greer Drilling Corp. It is our understanding that

the only other affected offset operator, Pan American Petroleum Corporation, mailed its consent to such unorthodox location directly to you under date of May 10, 1960.

Thanking you in advance for your expeditious attention to this Application and with best wishes, I am

Yours very truly,

William G. Webb, Vice President

WGW:mch Enclosure

Pan American Petroleum Corporation Benson-Montin-Greer Drilling Corp.

Mr. Frank A. Schultz Mr. C. Beeson Neal

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF LA PLATA GATHERING SYSTEM, INC., FOR AN EXCEPTION TO RULE 104(d)(2) FOR AN UNORTHODOX LOCATION FOR A WELL TO BE DRILLED TO THE DAKOTA FORMATION IN THE EAST HALF OF SECTION 26, TOWNSHIP 32 NORTH, RANGE 6 WEST, RIO ARRIBA COUNTY, NEW MEXICO

CASE	NUMBER	
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TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

Comes now LA PLATA GATHERING SYSTEM, INC., as Unit Operator of the San Juan 32-5 Unit Area, and respectfully requests an exception to Rule 104(d)(2) for an unorthodox location for a well to be drilled to the Dakota Formation at a location six hundred and sixty feet (660') from the East line and eighteen hundred and fifty feet (1850') from the North line of Section 26, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, and, for cause, would show as follows:

Ι

As the Commission may be advised, a substantial portion of the SE/4 of Section 26, Township 32 North, Range 6 West, lies below an elevation of sixty-one hundred feet (6100') and will be inundated or subject to inundation by the waters of the Navajo Dam on the San Juan River. Accordingly, in order to drill a well in the E/2 of said section, the same must be located in the NE/4 of said section. Due to topographic conditions in the NE/4 of said section, a location at least seven hundred and ninety feet (790') from the East line of said Section 26 would necessitate an

unconscionable expenditure of money in order to prepare the necessary location. A plat of the proposed location is attached hereto as Exhibit "A". A plat of the area showing the topographic conditions present is attached hereto as Exhibit "B".

II

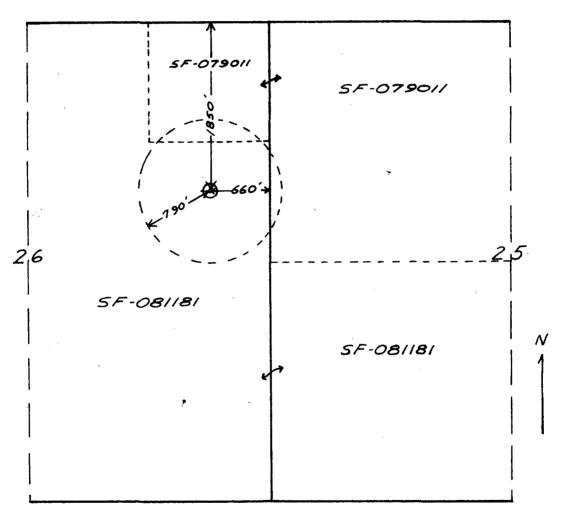
Attached hereto as Exhibit "C" is a consent in writing from all owners of oil and gas leases lying within a radius of seven hundred and ninety feet (790') from the proposed location, said owners being J. Glenn Turner, Frank A. Schultz, William G. Webb, Benson-Montin-Greer Drilling Corp., and Pan American Petroleum Corporation.

Premises considered, the undersigned, as Operator of the San Juan 32-5 Unit Area, respectfully requests the Secretary of the Commission to grant an exception to the well location requirement of Rule 104(d)(2) without notice or hearing pursuant to the authority granted by the Commission's Rule 104(f).

Respectfully submitted,

LA PLATA GATHERING SYSTEM, INC.

EXHIBIT "A"



Scale: 5 = 1 mile

Location: Section 26, T32N, RGW
Rio Arribo County, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.		Date			
TA DTAMA MAMINDITALO OPONIMA					
Operator LA PLATA GATHERING SYSTEM		Lease			
Well No. 2-26 Unit Letter H Se	ction <u>26</u>	Townsh	ip 32 NORTH	Range 6 WEST, NMI	
Located 1850 Feet From the NOR	TH Line,	660	Feet From <u>th</u>	e EAST Li	
County RIO ARRIBA G. L. Elevat				Acr	
Name of Producing Formation					
1. Is the Operator the only owner in the dedic	ated acreage out	lined on the plat	below?		
YesNo	haha :	to of all the own		idotod bu o ommunitisat	
2. If the answer to question one is "no",					
agreement or otherwise? Yes		. and wor is you	3 , 13pc of Co.	Bondation.	
3. If the answer to question two is "no", lis	st all the owners	and their respec	tive interests be	low:	
Owner	•		and Description		
		من ا			
			•		
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Section B.	Note: All d	istances must be	from outer bound	aries of section.	
This is to certify that the information	1	1	1	1	
in Section A above is true and complete	1	1	ı	1 1 .	
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(Operator)					
(Représentative)				0660	
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(Address)					
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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 29 AUGUST 1959

Registered Professional Engineer and/or Land Surveyor James P. Leese N. Mex. Reg. No. 1463

Farmington, New Mexico

EXHIBIT "B"

Oil Conservation Commission of the State of New Mexico State Land Office Post Office Box 871 Santa Fe, New Mexico

Gentlemen:

I have been furnished with a copy of La Plata Gathering System, Inc.'s application for an exception to Rule 104(d)(2) for an unorthodox location for a well to be drilled to the Dakota Formation at a location six hundred and sixty feet from the East line and eight hundred and fifty feet from the North line of Section 26, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

This letter will evidence the consent to such location by me as the owner of an interest in the oil and gas lease covering the W/2 of Section 25 and an interest in the oil and gas lease covering the E/2 of Section 26, Township 32 North, Range 6 West, notwithstanding the fact that same lies only six hundred and sixty feet from the East line of said section.

Yours very truly,

Frank A. Schultz

EXHIBIT "C"

Oil Conservation Commission of the State of New Mexico State Land Office Post Office Box 871 Santa Fe, New Mexico

Gentlemen:

I have been furnished with a copy of La Plata Gathering System, Inc.'s application for an exception to Rule 104(d)(2) for an unorthodox location for a well to be drilled to the Dakota Formation at a location six hundred and sixty feet from the East line and eight hundred and fifty feet from the North line of Section 26, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

This letter will evidence the consent to such location by me as the owner of an interest in the oil and gas lease covering the W/2 of Section 25 and an interest in the oil and gas lease covering the E/2 of Section 26, Township 32 North, Range 6 West, notwithstanding the fact that same lies only six hundred and sixty feet from the East line of said section.

Yours very truly,

J. Glenn Turner

Oil Conservation Commission of the State of New Mexico State Land Office Post Office Box 871 Santa Fe, New Mexico

Gentlemen:

I have been furnished with a copy of La Plata Gathering System, Inc.'s application for an exception to Rule 104(d)(2) for an unorthodox location for a well to be drilled to the Dakota Formation at a location six hundred and sixty feet from the East line and eight hundred and fifty feet from the North line of Section 26, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

This letter will evidence the consent to such location by me as the owner of an interest in the oil and gas lease covering the W/2 of Section 25 and an interest in the oil and gas lease covering the E/2 of Section 26, Township 32 North, Range 6 West, notwithstanding the fact that same lies only six hundred and sixty feet from the East line of said section.

Yours very truly,

William G. Webb

Oil Conservation Commission of the State of New Mexico State Land Office Post Office Box 871 Santa Fe, New Mexico

Gentlemen:

We have been furnished with a copy of La Plata Gathering System, Inc.'s application for an exception to Rule 104(d)(2) for an unorthodox location for a well to be drilled to the Dakota Formation at a location six hundred and sixty feet from the East line and eight hundred and fifty feet from the North line of Section 26, Township 32 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

This letter will evidence the consent to such location by Benson-Montin-Greer Drilling Corp. as the owner of an interest in the oil and gas lease covering the $\rm W/2$ of Section 25 and an interest in the oil and gas lease covering the $\rm E/2$ of Section 26, Township 32 North, Range 6 West, notwithstanding the fact that same lies only six hundred and sixty feet from the East line of said section.

Yours very truly,

BENSON-MONTIN-GREER DEILLING CORP.

Jack London, Jr., President

EXHIBIT "C"

FORM 446 4-58

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

ALEX CLARKE, JR.
Division Engineer

FORT WORTH, TEXAS

May 10, 1960

File:

GWK-284-986.510.1

Subject:

Waiver of Objection

LaPlata Gathering System, Inc.'s

Unorthodox Location for Dakota Well, Section 26,

Rio Arriba County, New Mexico

Mr. A. L. Porter New Mexico Oil Conservation Commission Capitol Annex Building Santa Fe, New Mexico

Dear Sir:

The undersigned, being an authorized representative of the offset operator, has been duly informed by LaPlata Gathering System, Inc. of their application to drill unorthodox location to the Dakota Formation, Section 26, Rio Arriba County, New Mexico, and hereby waives objection to the granting of a permit for this purpose.

It is our understanding that the well will be located 660' from the east line and 1850' from the north line, Section 26, T-32-N, R-6-W, N.M.P.M., Rio Arriba County, New Mexico.

Very truly yours,

Alex Clarks, fre

GWK:l,j

cc: LaPlata Gathering System, Inc.