

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

May 29, 1968

File: AMR-1548-986.511

Re: Application of Pan American Petroleum Corporation
For Unorthodox Well Location, Navajo Tribal "H"
Well No. 5, Undesignated Mesaverde Field
San Juan County, New Mexico

Mr. A. L. Porter, Jr. (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Pan American Petroleum Corporation respectfully requests your administrative approval of an unorthodox well location on its Navajo Tribal "H" Well No. 5, Undesignated Mesaverde Field, San Juan County, New Mexico. The subject well was originally drilled as an oil well to the Totah Gallup formation and was an orthodox well location for this horizon, but the well has subsequently been recompleted as a gas well in the shallower Point Lookout interval of the Mesaverde formation.

The Commission's Rule 104 F (page 18 of Rules) grants the Secretary-Director of the Commission authority to approve an exception to the well location requirements "without notice and hearing when the necessity for such unorthodox location is based upon topographical conditions or the recompletion of a well previously drilled to another horizon, provided said well was drilled at an orthodox location for such original horizon."

The Navajo Tribal "H" No. 5 was originally drilled to a total depth of 5070' and was completed as an oil well in Gallup perforations 4979-4986'. The well was subsequently plugged back to 4879' and recompleted in Mesaverde perforations 3355-3365' as a gas well. As shown on the attached Forms C-102 (dated 5/22/61 for the Totah Gallup Field and 5/9/68 for the Undesignated Mesaverde Field), the Navajo Tribal "H" No. 5 is located 705 feet from the south line and 660 feet from the west line of Section 13, T29N-R14W, San Juan County, New Mexico, which is an orthodox location for an oil well in the Totah Gallup Field but is unorthodox for a gas well due to being less than the minimum 790' from the outer boundary of the 160 acre dedicated acreage. However, as can be seen on the attached Exhibit "A", a map of the area around the well, Pan American Petroleum Corporation has 100% of the leases to the south and west of the well location, which is the direction toward which the well location is unorthodox.

*NSK 421
issue 6-19-68*

36
31
MAY 31 1968

File: AMR-1548-986.511
May 29, 1968
Page 2

Therefore, we respectfully request that you approve the unorthodox location of the Navajo Tribal "H" No. 5, Undesignated Mesaverde Field, San Juan County, New Mexico, without notice and hearing.

Yours very truly,

A handwritten signature in cursive script, appearing to read "R. B. Giles". The signature is written in dark ink and is positioned to the right of the typed name "R. B. Giles".

Attachments

cc: Mr. E. C. Arnold (2)
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

United States Geological Survey
P. O. Box 965
Farmington, New Mexico 87401

United States Geological Survey
Drawer 1857
Roswell, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

SECTION A.

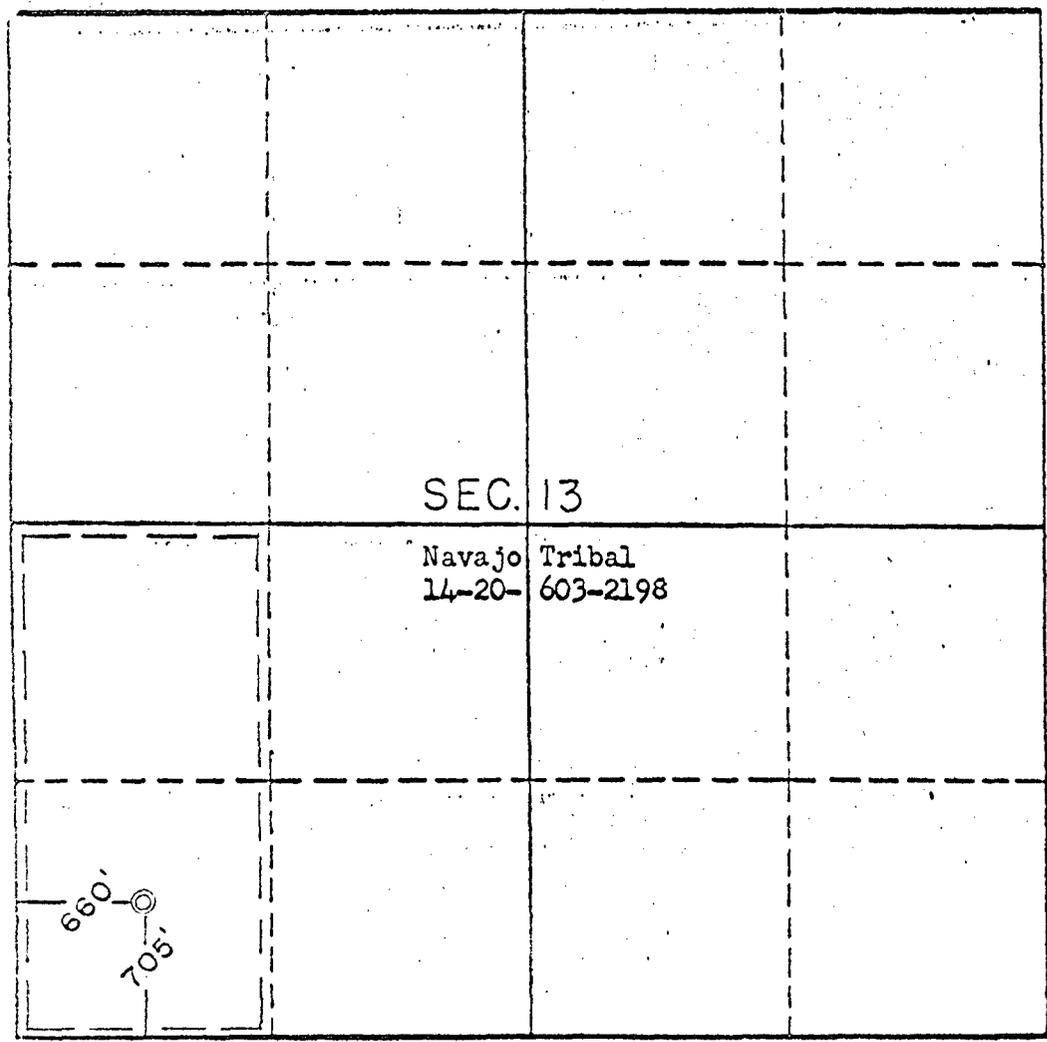
Date May 22, 1961

Operator Pan American Petroleum Corporation Lease Navajo Tribal "H"
 Well No. 5 Unit Letter M Section 13 Township 29 North Range 14 West NMPM
 Located 705 Feet From South Line, 660 Feet From West Line
 County San Juan G. L. Elevation To report later Dedicated Acreage 80 Acres
 Name of Producing Formation Gallup Pool Totah Gallup

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below? Yes No
2. If the answer to question One is "No," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____ If answer is "Yes," Type of Consolidation _____
3. If the answer to question Two is "No," list all the owners and their respective interests below:

OWNER	LAND DESCRIPTION

SECTION B.



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Pan American Petroleum Corp.
R.M. Bauer, Jr.
 R. M. Bauer, Jr.
(REPRESENTATIVE)
 Box 480, Farmington, New Mexico
(ADDRESS)

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed May 18, 1961
 Four States Engineering Co.
 FARMINGTON, NEW MEXICO
C. S. Pollock
 REGISTERED ENGINEER OR
 LAND SURVEYOR

Certificate No. 3084

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

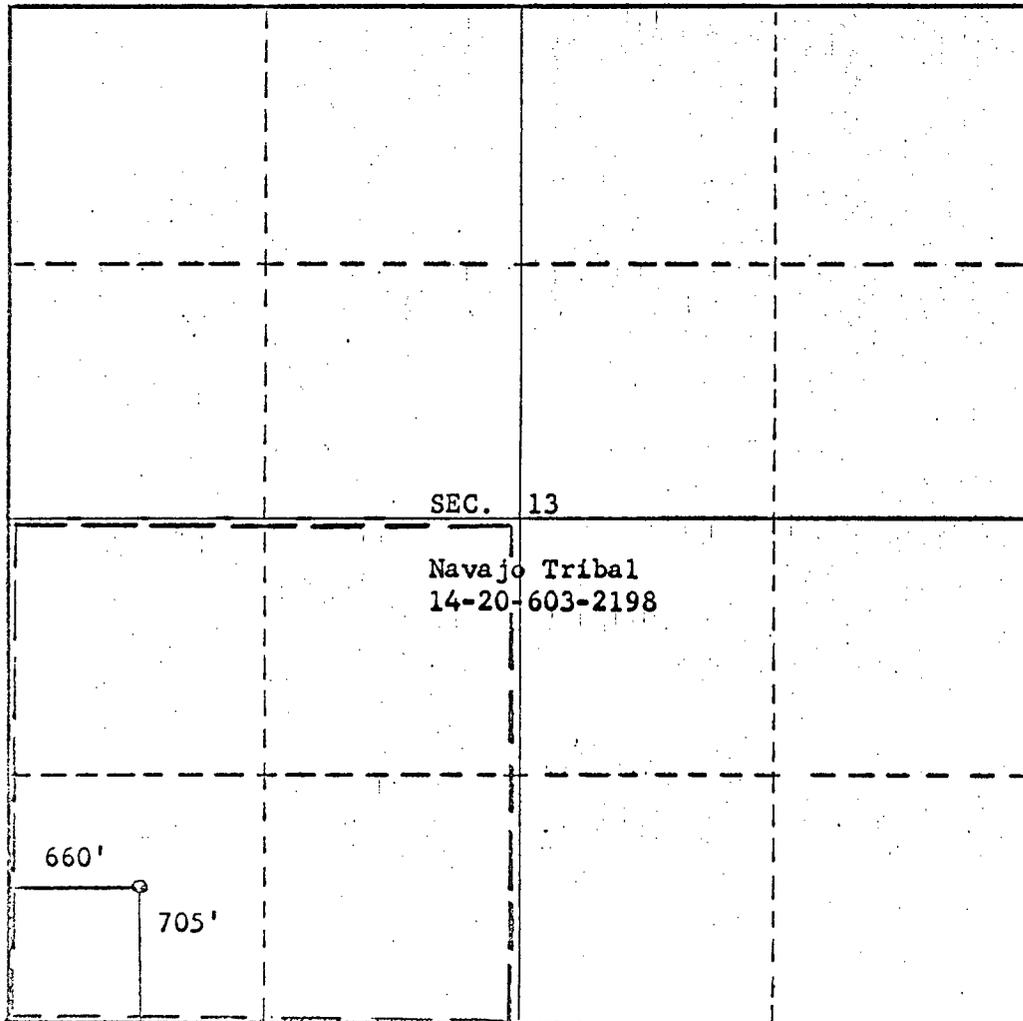
Operator PAN AMERICAN PETROLEUM CORPORATION		Lease Navajo Tribal "H"		Well No. 5
Unit Letter M	Section 13	Township 29 North	Range 14 West	County San Juan
Actual Footage Location of Well: 705 feet from the South line and 660 feet from the West line				
Ground Level Elev: 5287'	Producing Formation Mesaverde	Pool Undesignated Mesaverde	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

L.R. Chism

Name
L. R. Chism
Position
Petroleum Engineer
Company
PAN AMERICAN PETROLEUM CORP.

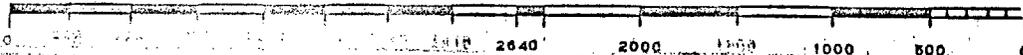
Date
May 9, 1968

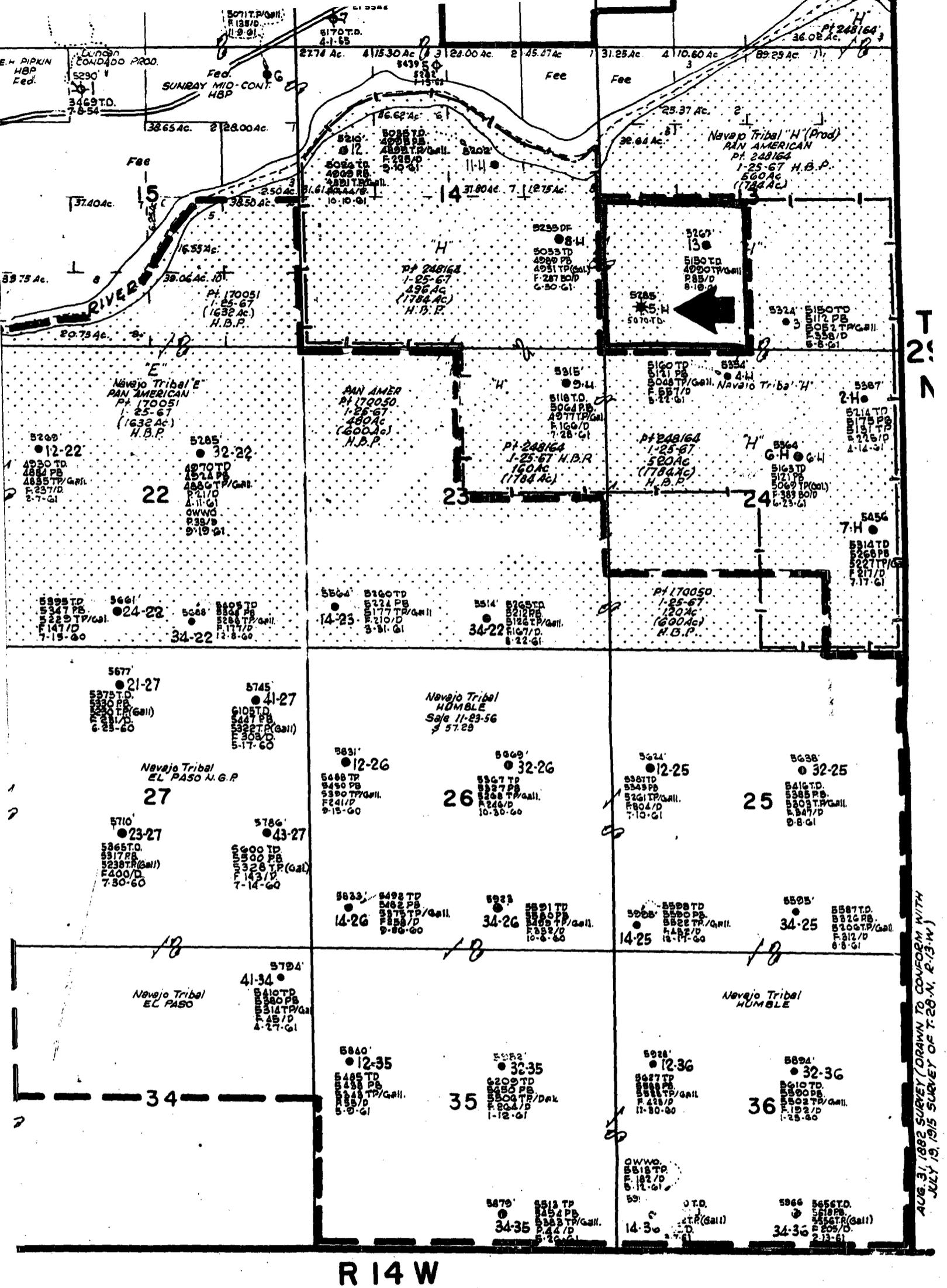
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
May 18, 1961
Original S/B E. L. Poteet
Registered Professional Engineer and/or Land Surveyor

Four States Engineering Co.
Farmington, New Mexico
Certificate No.

3084





R 14 W

Exhibit "A"

Application of Pan American Petroleum Corporation for Administrative Approval of Unorthodox Well Location,

Navajo Tribal "H" No. 5

Undesignated Mesaverde Field

San Juan County, New Mexico

AUG. 31, 1882 SURVEY (DRAWN TO CONFORM WITH JULY 19, 1915 SURVEY OF T. 20-N. R. 13-W)