

Case 1623

PHONES

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San Juan Engineering Company

WELL LOCATIONS - ROADS - ELEVATIONS - CLAIM SURVEYS - LAND SURVEYS - PIPE LINES

REGISTERED PROFESSIONAL ENGINEERING SERVICE
IN NEW MEXICO, COLORADO, OKLAHOMA, UTAH, ARIZONA

P. O. BOX 752
FARMINGTON, NEW MEXICO
10 March 1959

Mr. A. L. Porter
New Mexico Conservation Commission
Santa Fe, New Mexico

Dear Sir:

I am the surveyor who supervised the staking of the location for the Wellshire Development Company at a point 530 feet from the South line and 2110 feet from the East line of Section 35, T 25 N, R 10 W, N.M.P.M.

I wish to make it clear at this time that the responsibility for staking the location at those footages lies entirely with me.

Mr. Stevens, who is an independent geologist, did not order the location staked there nor did any person employed by Wellshire.

My instructions were to stake the location as far to the South and West as allowed. I did not realize that the Bisti Field as a unit had been extended to take in all of Township 25 - 10 and I therefore instructed my people to stake the location at the above footages provided the terrain would allow it.

I would hate to see anyone penalized for an infraction of a rule when they were not responsible.

Very truly yours,

James P. Leese
James P. Leese

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
<i>Wellshire</i> EXHIBIT NO. <u>1</u>
CASE NO. <u>1623</u>

F. H. STEVENS, JR., Consulting Geologist
Pent House Suite ~~XXXXXXX~~ 2929 Monte Vista N.E.
Albuquerque, New Mexico

March 18, 1959

Mr. A. L. Porter
New Mexico Oil & Gas
Conservation Commission
Santa Fe, New Mexico

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
<i>Wellshire</i> EXHIBIT NO. <u>2</u>
CASE NO. <u>1623</u>

Dear Mr. Porter:

Relative to the hearing to be held March 25th and Wellshire Development Company's request for approval of an unorthodox location for their No. 1 Federal, 530' from the South and 2110' from the East lines Section 35-T25N-R10W, San Juan County, New Mexico, I wish to submit the following pertinent information.

On February 18, 1959 I telephoned Mr. James P. Leese of San Juan Engineering Company, Farmington, New Mexico, on behalf of Wellshire Development Company, and requested that he take immediate steps to stake the location for this well 560' from the South and 2080' from the east lines of the section. I pointed out that I wish to take advantage of the 100' tolerance from a center 40 acre location, allowed under my understanding of the Commission regulations for the Bisti Lower Gallup Field, in order to have the well as far to the south and west in the southeast quarter of Section 35 as possible. Mr. Leese advised me that actually a tolerance of 130' from a center 40 was allowed and asked if I wished to make full use of this tolerance. I replied that if 130' was allowed under existing regulations I did wish to take the full allowance. Accordingly, the location was staked, as described in paragraph 1, and within a few days drilling operations commenced.

It was not until March 9, 1959, when the well was at a total depth of 5440' and a completion attempt was being made, that I was advised that the location was unorthodox.

I believe that Mr. Leese's mistake was an honest one and for this reason I urge that Wellshire's request be given favorable consideration.

Very truly yours,

F. H. Stevens, Jr.
F. H. Stevens, Jr.