



HOUSTON OIL & MINERALS CORPORATION

July 26, 1974

**RECEIVED**

**JUL 29 1974**

**O. C. C.**  
**ARTESIA, OFFICE**

Mr. J. E. Kapteina  
Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87501

RE: HO&M No. 1 S.L. 3724  
Otero County, New Mexico

Gentlemen:

My reasons for locating the subject well in discord with the regular New Mexico spacing pattern are as follows:

This well is located on a knoll. Terrain immediately South and West of the location drops into an arroyo. To the East of the location, elevation increases and then drops off into another arroyo. To the North, the elevation increases and this is also a more unfavorable geological location.

I apologize for the inconvenience and wish to take this opportunity to thank you for your assistance in this matter. If you should require any further information, please advise.

Yours very truly,

HOUSTON OIL & MINERALS CORP.

William M. Hazard  
Drilling Div. Manager

WMH:gay  
Encls.

cc: Mr. W. A. Gressett  
Drawer DD  
Artesia, New Mexico 88210