

AMERICAN QUASAR PETROLEUM CO.

606 VAUGHN BUILDING / MIDLAND / TEXAS 79701 U.S.A. / TELEPHONE (915) 682-3737TORONTO STOCK EXCHANGE SYMBOL AQPTNASDAQ SYMBOL AQAS

December 17, 1974

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New Mexico Oil Conservation Commission Post Office Drawer DD Artesia, New Mexico 88210

D. C. C. ARTESIA, OFFICE

Attention: Mr. W. A. Gressett

Re: American Quasar Petroleum Co. of New Mexico, Huber State No. 1, Section 36, T-23S, R-22E, Eddy County, New Mexico

Gentlemen:

The attached Forms C-101 and C-102, copies of an aerial photograph and land plats of the area are submitted in support of our request for administrative approval for an unorthodox location to drill the Huber State No. 1. The well is located 2310' FNL and 2410' FWL of Section 36, T-23S, R-22E, Eddy County, New Mexico.

As shown on the attached land plat, American Quasar Petroleum Co. has either farmed-in or purchased all of the acreage offsetting the 320-acre proration unit and hereby waives any objection to drilling this unorthodox location. The attached copy of an aerial photograph is submitted to support our request for an unorthodox location due to rough terrain in Section 36. The rough terrain prohibits an orthodox location in either the N/2 or W/2 of the section as shown by the cross-hatched areas on the attached aerial photographs.

It is respectfully requested that the Commission forego the 20 day waiting period and grant administrative approval as soon as possible since all offsetting proration or spacing units are currently owned by American Quasar Petroleum Co. of New Mexico.

truly, very/ Yours ynn D. Jones Manager of Operations

LDJ/st

Enclosures