

**OIL CONSERVATION COMMISSION**

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO

*February 26, 1967*

*August & Sawher  
1736 Westwood Boulevard  
Los Angeles, California 90024*

*Attn: Mr. J. J. August*

*Dear Mr. August:*

*Enclosed are approved copies of Forms C-104 and C-110 relative to your #1 Mobil Federal well located in the  $SE\frac{1}{4}$  Section 36-24N-1W. You will note that I have approved the C-110 for a 60-day period to allow you to make a production test to determine the production characteristics of this well. As soon as your load oil has been recovered we are requesting that you conduct a gas-oil ratio test and submit it to this office.*

*I am also enclosing a copy of a telegram received in this office from Mobil Oil Company advising that they are willing to designate the  $SE\frac{1}{4}$  Section 36 Township 24N-1W as the spacing unit. I am sending a supply of acreage dedication plats and request that you submit three copies of this form indicating a dedication of 160-acres, being the  $SE\frac{1}{4}$  of Section 36. The form should be signed by you as operator as indicated but it will not be necessary that it be signed by the surveyor. I also neglected to mention to you on the telephone the other day that this well is not a standard gas well location by our rules. Our rules require that a gas well location be located a minimum of 790 feet from the unit boundary. Your well is located only 660 feet from the unit boundary. Therefore if the well is to be produced as a gas well it will be necessary that you make application for a hearing before the Oil and Gas Conservation Commission in Santa Fe for the approval of the non-standard location prior to expiration of the test period. If the well turns out to be an oil well the location is a standard oil well location, as an oil well need be only 330 feet from the boundary of the 40-acre tract upon which it is located.*

*If you have any further questions regarding the matter, please contact us.*

*Yours very truly*

*Emery C. Arnold  
Supervisor, District #3*

*ECA:ks*

*Encls.*