

November 12, 1958

Southern Union Gas Company Burt Building Dallas 1, Texas

Attention: L. S. Muennink

Administrative Order NSL-170

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your Armenta Well No. 1 located 2190 feet from the North line and 820 feet from the East line and in the SE/4 NE/4 of Section 27, Township 29 North, Range 10 West, Aztec Pictured Cliffe Pool, San Juan County, New Merzico.

It is our understanding that this unorthodox well location is based upon extreme topographic conditions in the NE/4 of said section.

Inasmuch as you furnished waivers from the offset operators, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 4 of the Special Rules and Regulations of the Aztec Pictured Cliffs Pool, as set forth in Order R-565-C, you are hereby granted an exception to Rule 3 of Order R-565-C for the above described unorthodox well location. You must also obtain like approval from the U. S. Geological Survey if the well is located on land subject to the jurisdiction of the U. S. Geological Survey.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/OEP/og

cc: Oil Conservation Commission - Aztec

U. S. Geological Survey - Farmington

los in assign no. Smite order

SOUTHERN UNION GAS COMPANY MURT BUILDING DALLAS IN TEXAS

November 4, 1958

NSL-170 NSL-170 Lie (wawer)

Mr. A. E. Utz New Mexico Oil Conservation Commission 107 Mabry Hall, Capitol Building Santa Fe, New Mexico

Dear Mr. Utz:

Enclosed please find a copy of the Notice of Intent to Drill and Well Location Plat for Southern Union Gas Company's Armenta No. 1 well, San Juan County, New Mexico which has been filed with the Aztec Commission office.

This location is only 450 feet from the south boundry line of the drilling unit which is closer than the 790 feet required by spacing for the Aztec Pictured Cliffs pool. It is requested that an exception for this unorthodox well location be granted because the necessity therefor, based on topographical conditions as shown by the well location plat. The location of the San Juan River would make it impossible to conform with orthodox spacing requirements. The only owner of oil and gas leases within a radius of 790 feet from the proposed location is Pan American Petroleum Corporation, and a written consent of Pan American has been furnished you. These leases are being communitized to form a drilling unit for the  $SE_{\mu}^{1}$  of this section, but the only other owner in the entire  $SE_{\mu}^{1}$  is Southern Union Gas Company.

Yours very truly,

SOUTHERN UNION GAS COMPANY

J.L. Mu

L. S. Muennink Exploration Engineer

LSM:t Enclosures

cc: El Paso Natural Gas Company Farmington, New Mexico

> Mr. P. T. McGrath United States Geological Survey Farmington, New Mexico

Mr. Paul J. Clote - Farmington

Pan American Petroleum Corp. Fort Worth, Texas

Mr. Emery C. Arnold New Mexico Oil Conservation Commission Aztec, New Mexico