THOMAS A. DUGAN

Registered Professional Engineer

OFFICE PH. 325-9184 MAIN OFFICE OCC FARMINGTON, NEW MEXICO

39March 17, 1962 1962 MAR AS PM 6

NS Lodows 9 HOME PH. 325-569

1007 NORTH DUSTIN

Mr. E. L. Porter Secretary - Director New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Dear Mr. Porter:

709 BLOOMFIELD BLVD.

Redfern & Herd, Inc. plans to drill a Dakota test in the SE/4 SW/4 Section 29, T30N - R12W, San Juan County, New Mexico. The tentative location of the well is 300'/SL and 2140'/WL. This is an unorthodox location and the W/2 of Section 29 is to be dedicated to the well. The location is inside the Farmington City limits. The W/2 of the NW/4 and the NE/4 of the NW/4 is occupied by the San Juan Country Club. The club house is in this area and there are no suitable drilling locations that will not interfere with the Club's activities. The SE/4 of the NW/4 is owned by the San Juan Fraternal Order of Police and they use this for a police target range and in the summer they conduct a camp for small children; therefore, this would not be suitable as a drilling site. The N/2 of the SW/4 and the SW/4 SW/4 is an exclusive residential area or business area along the highway and is not suitable for drilling.

We have selected what we feel is the only suitable location in the W/2 of Section 29. We have secured permission from the landowner to locate our well at this site.

Redfern & Herd, Inc. is requesting administrative approval to drill the unorthodox location 300'/SL and 2140'/WL of Section 29, T30N - R12W, San Juan County, New Mexico. Redfern & Herd, Inc. is the operator of the E/2 of Section 29 and owns the majority of the acreage offsetting the proposed location. Pan American Petroleum Corp. and Aztec Oil & Gas own small tracts of acreage offsetting the proposed location, and we have sent a copy of this letter by registered mail to them.

Very truly yours,

Thomas A. Dugan

TAD:pm Attachment

cc: Mr. Emery Arnold Pan American Petroleum Corp. Aztec Oil & Gas Co. Redfern & Herd, Inc.