SUN DIL COMPANY

ROCKY MOUNTAIN DIVISION

P. S. JUSTICE DENVER 1, GOLORADO

March 13, 1957

Case 1228 Re:

> Application for Hearing on Non-Standard Location No. 1 Harold Begay Lease C NW SW, Sec. 25, T25N, R11W San Juan County, New Mexico

Mr. A. L. Porter, Jr., Secretary New Mexico Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

Dear Mr. Porter:

Sun Oil Company has heretofore filed an application for a hearing on a non-standard location affecting the captioned well, and an Examiner Hearing has been set for March 21, 1957, 10:00 A.M., in Farmington, New Mexico.

We are presently compiling additional geological and petroleum engineering data and information which we feel should be presented to the New Mexico Oil Conservation Commission with respect to the No. 1 Harold Begay well, which data and information is not at this time available. Therefore, we respectfully request that the Examiner Hearing on the captioned Case 1228 be indefinitely postponed in order to permit us to either amend our application or gather further supporting evidence to proceed with the application as filed. We recognize that before approval for the production of gas can be given by the Commission, that a non-standard location hearing must be held.

Yours very truly,

SUN, OIL COMPANY

ROL/mk

Anderson-Prichard Oil Corporation WW Walnut

C. M. & W. Drilling Company Arrowhead Exploration Company

Mr. Harold Begay

DOCKET: EXAMINER HEARING MARCH 21, 1957

FARMINGTON CITY HALL, 10:00 a.m., FARMINGTON, NEW MEXICO

The following cases will be heard before Warren W. Mankin, Examiner:

CASE 1227:

Application of John J. Eisner for an order authorizing two unorthodox well locations and three non-standard gas proration units in an undesignated Pictured Cliffs Gas Pool and the Blanco Mesaverde Gas Pool in exception to Rule 104 of the Statewide Rules and Regulations and Orders R-110 and R-128-D of the Special Rules and Regulations of the Blanco Mesaverde Gas Pool. Applicant, in the above-styled cause, seeks authorization for an unorthodox well location for its Hanson-Federal Well No. 1 to be located 990 feet from the North line and 682 feet from the West line of fractional Section 6 in an undesignated Pictured Cliffs Gas Pool; applicant further desires authorization for an unorthodox well location for its M. D. Reickhaus Well No. 1 to be located 990 feet from the North line and 700 feet from the West line of fractional Section 7 in an undesignated Pictured Cliffs Gas Pool and the Blanco Mesaverde Gas Pool; applicant further desires approval for a 165.34 acre non-standard gas proration unit consisting of all of fractional Section 6 in an undesignated Pictured Cliffs Gas Pool, said unit to be dedicated to its Hanson-Federal Well No. 1; applicant further desires a 170.32 acre non-standard gas proration unit consisting of all of fractional Section 7 to be dedicated to its Reickhaus Well No. 1 in an undesignated Pictured Cliffs Gas Pool, and in addition applicant desires to form a 335.66 acres non-standard gas proration unit consisting of all of fractional Sections 6 and 7 to be dedicated to its Reickhaus Well No. 1 in the Blanco Mesaverde Gas Pool: all of the above in Township 26 North, Range 2 West, Rio Arriba County, New Mexico. Said unorthodox locations and non-standard units are necessitated by the variations of legal sub-divisions in this area.

CASE 1228:

Application of Sun Oil Company for an unorthodox well location in an undesignated Gallup Gas Pool in San Juan County, New Mexico, in exception to Rule 104, Paragraph (b) (2), of the New Mexico Oil Conservation Commission Statewide Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in an undesignated Gallup Gas Pool for its Harold Begay Well No. I located 1980 feet from the South line and 660 feet from the West line of Section 25, Township 25 North, Range 11 West, San Juan County, New Mexico. Application is occasioned by the drilling of a gas well in an area that is normally considered to be oil productive and was drilled under the provisions of Rule 104, Paragraph (b) (1) of the Commission Statewide Rules and Regulations.

SUN DIL COMPANY

ROCKY MOUNTAIN DIVISION

DENVER 2. COLORADO

February 14, 1957

Examining to Pormungton Case # 1228

Mr. A. L. Porter, Jr., Secretary New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

> Re: Application for Hearing on

Non-Standard Location

#1 Harold Begay

C NW/SW, Sec. 25, T.25N., R. 11 W.

San Juan County, New Mexico

Dear Mr. Porter:

Sun Oil Company has been handed a letter dated February 4, 1957 from Mr. Emery C. Arnold, Supervisor, District #3, directed to Anderson-Prichard Oil Company advising that it will be necessary to bring the matter of a non-standard location on the captioned well to hearing before approval for the production of gas can be given by the Commission.

By agreement with Anderson-Prichard Oil Company, we have assumed operations under the captioned Lease and, therefore, the aforementioned letter has been forwarded to us for action.

The #1 Harold Begay well was initially located by Anderson-Prichard as a standard oil well location (1980 feet from the South line and 660 feet from the West line of Section 25, T. 25 N., R. 11 W.) since it was initially projected to an oil producing horizon. However, the Gallup sand was found not to be oil productive but productive of gas and thereafter the well was completed as a gas well.

In accordance with the provisions of Rule 104, Paragraph B, Subsection 2 of the Rules and Regulations of the New Mexico Oil Conservation Commission, we herewith make application for an examiner hearing and a date of hearing on this matter and request that said hearing be held in Farmington, New Mexico.

The names and addresses of parties in interest are set forth as follows:

Anderson-Prichard Oil Corporation B-400 U.S. National Bank Building Denver 2, Colorado

Sun Oil Company P. O. Box 1798 Denver Club Building Denver, Colorado

Mr. A. L. Porter, Jr. New Mexico Oil Conservation Commission

February 14, 1957

C. M. & W. Drilling Company 1340 South Santa Fe Drive Denver, Colorado

Arrowhead Exploration Company 1120 Mile High Center Denver, Colorado

Harold Begay, Lessor Huerfano Store Bloomfield, New Mexico

Should any further information be desired by your office please advise and we will be happy to respond.

Very truly yours,

SUN OIL COMPANY

Attorney-in-Fact

Wm. Walmsley

ROL:mp

cc: -Anderson-Prichard Oil Corp.

-C.M.& W. Drilling Company

-Arrowhead Exploration Company

-Harold Begay