



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

July 7, 1981

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

San Juan Oil Company
705 South Elgin
Tulsa, Oklahoma 74102

Attention Ms. Susan Lacy

Dear Ms. Lacy:

Attached is an approved copy of Form C-101 for the San Juan Oil Company State 27 Well No. 1 to be drilled in Unit M of Section 27, T-14-S, R-34-E, Lea County, New Mexico. As authorized in a telephone conversation with you this date, certain changes have been made to correspond with our Rules and Regulations.

We might point out that this well will immediately offset the Tres Papalotes Pennsylvanian Pool, which is on 160 acre spacing, and we have made that change on Form C-102. Further, since the vertical limits of this pool are defined as the Pennsylvanian, only, we will be unable to approve a completion in which both the Wolfcamp and Pennsylvanian are open. We do, however, classify the Bough A as Pennsylvanian.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District 1

mc
Attach.