



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

GARREY CARRUTHERS
GOVERNOR

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MEMO FOR RECORD

February 26, 1990

Per conversation between Evelyn Downs, OCD, and Christopher Renaud, Western Reserves Oil Co. Inc., the location of their Nadine "27" #1 2310/S and 330/E of Sec. 27, T19S, R38E, is slightly more than 200 feet from Mr. Albert Nance's house (surface owner) and 75 feet from his barn. The well location is 197 feet from a vacant house.

Western Reserves is within the legal limits established by their lease agreement and they have a written consent from the lessors.

Mr. Nance has been talked with and he is not happy that the location is so close to his house but realizes they are within their legal rights and that he has no legal recourse. They will work out a surface damage arrangement with Mr. Nance at the time they build the location.

Ray Diaz with LBO New Mexico questions the location of this well in relationship to the section lines. After conferring with John West Engineering, surveyor, it was determined that LBO's conclusions were drawn from relationship of the well to fences not section marker. Ray Diaz gave his waiver of questioning location 2/26/90 by phone to Evelyn Downs, Hobbs OCD.