FORM 470 2-57

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico
September 21, 1964

File: M-620-986.510.1

Subject: Non-Standard Dakota Gas Unit
Rubbell Gas Unit "B" No. 1
S/2 Section 30, T-28-N, R-10-W
San Juan County, New Mexico

CERTIFIED MAIL

Mr. A. L. Porter (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

Pan American Petroleum Corporation respectfully requests Administrative Approval of a 324.75-acre non-standard Basin Dakota gas proration unit, consisting of the S/2 of Section 30, T-28-N, R-10-W, San Juan County, New Mexico. In accordance with provisions of Rule 5 (B) of Item A, Well Location and Acreage Requirements, under Special Rules and Regulations for the Basin Dakota Gas Pool of NMOCC Order R-1670-C, the requested non-standard proration unit is unorthodox in size due to a variation in a legal subdivision of a United States Public Lands Survey. The following provisions are complied with:

1. The non-standard unit consists of contiguous quarter-quarter sections or lots (see attached Form C-128).

2. The non-standard unit lies wholly within a single governmental section.

3. The entire non-standard unit may reasonably be presumed to be productive of gas.

The requested 324.75-acre non-standard gas proration unit is necessitated by the presence of lots greater than 40 acres along the western edge of Section 30, T-28-N, R-10-W. The attached copy of NMOCC Form C-128 (Well Location and Acreage Dedication Plat) shows the proposed location 955 feet from the south line and 1045 feet from the west line of Section 30 and the proposed S/2 Section 30 Dakota gas unit. All operators owning acreage in the S/2 of Section 30 have agreed to join in the drilling of this well and communitization agreements are being prepared. A map showing the proposed location in relation to other Basin Dakota Pool wells and offset operators acreage is attached.

NAT'L AMERICAN PETROLEUM CORPORATION

September 21, 1964
M-620-986.510.1

A copy of this Application is being forwarded by Certified Mail to the below listed offset operators, and Pan American is requesting that these operators by written consent waive objection to the requested non-standard unit.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

F. M. Curtis
District Superintendent

FMC:cm

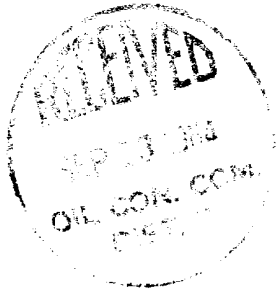
cc by Certified Mail:

Southern Union Production Company
Fidelity Union Tower Building
Dallas, Texas

Aztec Oil & Gas Company
920 Mercantile Securities Building
Dallas, Texas

Kingwood Oil Company
First National Building
Oklahoma City 2, Oklahoma

cc: Mr. E. C. Arnold
New Mexico Oil Conservation Commission
Aztec, New Mexico



Form C-128 (8-57)

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A

Date: SEPTEMBER 21, 1964

Operator: PAN AMERICAN PETROLEUM CORPORATION | Lease: HUBBELL GAS UNIT B

Well No.: 1 | Unit Letter: M | Section: 30 | Township: 28 NORTH | Range: 10 WEST | NMPM

Footage Location: 955 Feet From SOUTH Line 1045 Feet From WEST Line

County: SAN JUAN | Ground Level Elevation: REPORT LATER | Dedicated Acreage: 324.75 Acres

Name of Producing Formation: DAKOTA | Pool: BASIN DAKOTA

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?

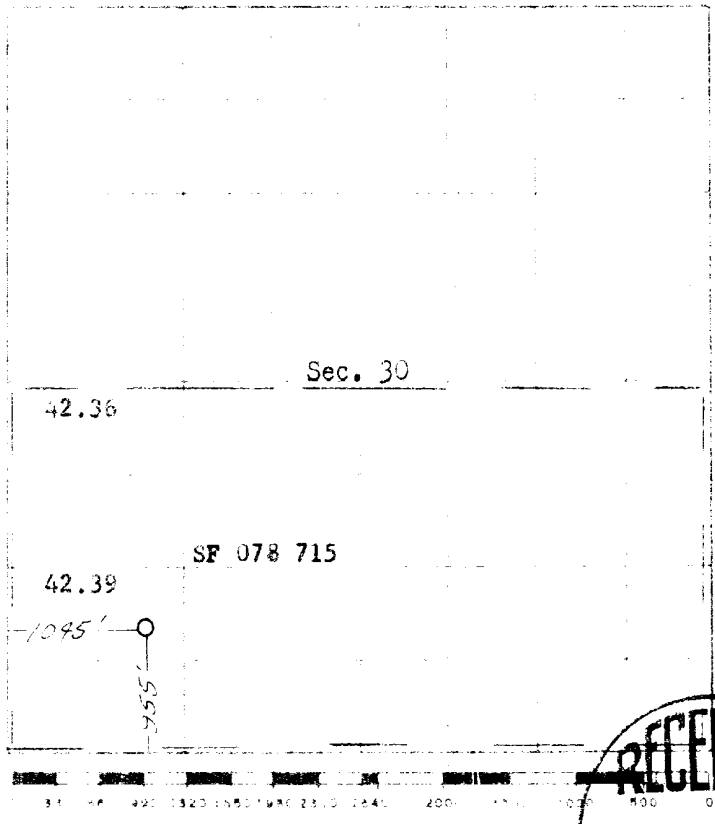
Yes ___ No X

2. If the answer to question one is "No", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X If answer is "yes", Type of Consolidation Communitization agreements being prepared. All parties have agreed to join in the drilling of the well.

3. If the answer to question two is "No" list all the owners and their respective interests below:

Owner | Land Description

Note: All distances must be from outer boundaries of section.



Scale: 4 inches equal 1 mile

Ref: GLO dated 19 July 1915

RECEIVED
SEP 23 1964
OIL CON. COM.
DIST. 3

I hereby certify that the well location shown on this plat was prepared from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed: September 4, 1964

Registered Professional Engineer and/or Land Surveyor

James F. Leese, N. Mex. Reg. No. 1463
San Juan Engineering Company

I hereby certify that the information on this plat is true and complete to the best of my knowledge and belief.

PAN AMERICAN PETROLEUM CORPORATION

F. M. Hollingsworth

P. O. Box 480

Farmington, New Mexico