MAIN OFFICE OCC BEFORE THE OIL CONSERVATION COMMISSION OF THE ASTATE OF NEW MEXICO Due June 11

IN THE MATTER OF APPLICATION OF THREE STATES NATURAL GAS COMPANY FOR APPROVAL OF A NON-STANDARD PRORATION UNIT CONSISTING OF 80.00 CONTIGUOUS ACRES IN THE FULCHER KUTZ-PICTURED CLIFFS GAS POOL IN SAN JUAN COUNTY, NEW MEXICO

case no. NWW #19

Comes now Applicant THREE STATES NATURAL GAS COMPANY by its Attorney and states:

- 1. It is the operator of the J. J. Hudson #1-E well located in the SE/4 of the SE/4 (400' from the South line and 800' from the East line) of Section 33, T-30-N, R-12-W, San Juan County, New Mexico.
- 2. The J. J. Hudson #1-E well is completed within the vertical limits of the Fulcher Kutz-Pictured Cliffs Gas Pool and is capable of production of gas only from a producing formation now defined by the Commission as within the Fulcher Kutz-Pictured Cliffs Gas Pool.
- 3. The J. J. Hudson #1-E well is situated upon lands owned by the United States Government and the United States Government is the sole royalty owner thereunder.
- 4. The lease is off-set by producing gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool and is itself capable of production.
- 5. A plat showing the above described land, the location of the subject well and all off-set properties, indicating well locations and lease ownership to the best of our knowledge, is hereby attached.

WHEREFORE, Applicant requests, in the interest of conservation and protection of correlative rights, the Commission to issue its order providing as follows:

That pursuant to Rule 6 (A) of Case No. 729, Order No. R-565, the allowable production from this non-standard gas proration unit, as compared with the allowable production therefrom if this tract were a standard unit, be in the ratio which the area of the non-standard proration unit (to-wit, 80.00 acres) bears to a standard proration unit of 160 acres.

Respectfully submitted,

THREE STATES NATURAL GAS COMPANY

Bv

Joseph P. Do

Attorney

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	EM. Kirkland	N	xc††bx		Carroll ¢ Hanett	J.J. Hudson S.F. 077922	T
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R-12-W

## EXHIBIT "A" THREE STATES NATURAL GAS CO.

J.J. HUDSON (FEDERAL). 80 ACRE LEASE FULCHER KUTZ-PICTURED CLIFFS GAS POOL SAN JUAN COUNTY, NEW MEXICO SCALE 4" = I MILE

J J. Hudson Lease

## Three States Matural Gas Company

SEVENTEENTH FLOOR CORRIGAN TOWER

1955 MAY 18 DAYLAS 1.35XAS

May 10, 1955

Re: Administrative Order NWU-19

J. J. Hudson #1-E Well
Fulcher Kutz-Pictured
Cliffs Gas Pool
San Juan County, New Mexico

State of New Mexico Oil Conservation Commission Capitol Building Santa Fe, New Mexico

Attention: MR. W. B. MACEY, Secretary-Director

Gentlemen:

We are enclosing herewith an Affidavit by Joseph P. Donahue, Jr., in triplicate, for your use in connection with the captioned Application.

Yours very truly,

THREE STATES NATURAL GAS CO

oseph P. Donahue,

Attorney

JPD L..

Encl. 3

THE STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared JOSEPH P. DONAHUE, JR., who, after being by me duly sworn, on oath deposes and says:

That Mr. R. L. Maddox, Aztec, New Mexico; Messrs. Scott, Scott & Sheppard, 704 Patterson Building, 1706 Welton Street, Denver, Colorado; Mr. Claude M. Carroll, P. O. Box 335, Farmington, New Mexico; El Paso Natural Gas Company, El Paso Natural Gas Building, El Paso, Texas; and Southern Union Natural Gas Company, Burt Building, Dallas, Texas, being all of the operators of acreage adjacent to Three States Natural Gas Company's J. J. Hudson #1-E well located in the SE/4 of the SE/4 of Section 33, T-30-N, R-12-W, San Juan County, New Mexico, and being in the Fulcher Kutz-Pictured Cliffs Gas Pool, have been notified that the said Three States Natural Gas Company has applied for a non-standard proration unit covering its said J. J. Hudson #1-E well.

Joseph P. Donahue, Jr.

SUBSCRIBED AND SWORN TO before me on this the 10th day of

May, 1955.

Treva P. Leverton

Notary Public in and for

Dallas County, Texas

My Commission Expires

June 1, 1955