164-365

El Paso Natural Gas Company

El Paso, Texas

September 21, 1960

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Oil Conservation Commission Of the State of New Mexico P.O. Box 871 Santa Fe, New Mexico

Per San (23)

Re: Application for Exception to Rule 5(A) of the Northwest Portion of Order R-1670 for Non-Standard Proration Unit, Ballard Pictured Cliffs Gas Pool, Rio Arriba County, New Mexico

Gentlemen:

In accordance with Rule 5-B of the Northwest portion of Order R-1670, El Paso Natural Gas Company hereby submits its application for administrative approval of a non-standard proration unit consisting of the NE/4 (Lots 1,2,7,8,9,10) of Section 2, Township 24 North, Range 7 West, Rio Arriba County, New Mexico, and in support thereof states the following facts:

- 1. The Canyon Largo Unit #97 Well, located 990' from the North line and 990' from the East line of Section 2, Township 24 North, Range 7 West, was completed as a gas well from the Pictured Cliffs Formation on April 12, 1960.
- 2. That the proposed non-standard gas proration unit consists of 173.26 acres, which are contiguous quarter-quarter sections and lots.
- 3. That the proposed non-standard gas proration unit lies wholly within a single government section.
- 4. That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.
- 5. That by copy of this letter of application all operators owning interests (a) in the section in which any part of the non-standard proration unit is situated and which acreage is not included in said non-standard gas proration unit, and (b) in acreage offsetting the non-standard gas proration unit, are notified by registered mail of this proposed non-standard gas proration unit.

Therefore, El Paso Natural Gas Company requests that under the provision of Rule 5-B of the Northwest Portion of Order R-1670, the Secretary of the Commission grant exception to Rule 5(A) without Notice and Hearing and approve the subject nonstandard gas proration unit.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

Sam Smith, Manager

Land Department

SS: JNN: cah

Tracts 61-A and 65

SUBSCRIBED AND SWORN to before me by the said SAM SMITH this /6 , 1960, to certify which witness my hand and seal of office.

My Commission expires:

NATALIE TAYLOR Rotary Public in and for El Paso County, Texas

My Commission Expires June 1, 1961

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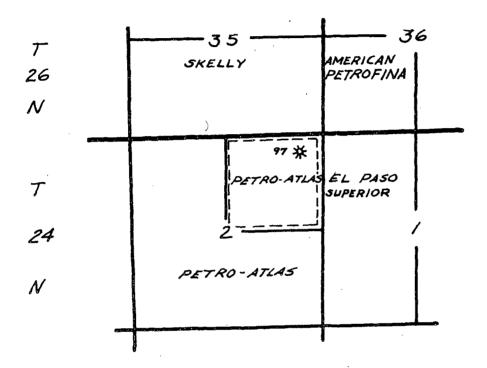
A copy of the foregoing application for non-standard gas proration unit on the Canyon Largo Unit #97 Well was forwarded by registered mail, return receipt requested, to the following listed parties:

Petro-Atlas Corporation 2000 National Bank of Tulsa Building Tulsa 3, Oklahoma

Skelly Oil Company Post Office Box 1650 Tulsa 2, Oklahoma

American Petrofina Company of Texas Post Office Box 2159 Dallas 21, Texas

The Superior Oil Company
Post Office Drawer "G"
Cortez, Colorado
Attention: Mr. W. H. Fraser, Jr.



EL PASO NATURAL GAS CO.

PLAT ACCOMPANYING APPLICATION FOR

173.26 ACRE NON-STANDARD GAS UNIT

CANYON LARGO # 97