

El Paso Natural Gas Company

MAIN OFFICE
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August 21, 1962

Oil Conservation Commission
Of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: Application for Exception to Rule 5(A)
of Order No. R-1670 for Non-Standard
Proration Unit, South Blanco-Pictured
Cliffs Gas Pool, San Juan County, New
Mexico

Gentlemen:

In accordance with Rule 5(B) of Order R-1670, El Paso Natural Gas Company hereby submits its application for administrative approval of a non-standard gas proration unit consisting of Lots 1,2, N/2 SW/4 (SW/4) of Section 36, Township 28 North, Range 8 West, San Juan County, New Mexico, and in support thereof states the following facts:

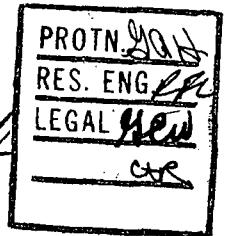
1. That the proposed non-standard proration unit consists of 156.15 acres which is less acreage than a standard proration unit.
2. That the proposed non-standard gas proration unit consists of contiguous quarter-quarter sections and lots.
3. That the proposed non-standard gas proration unit lies wholly 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 El Paso Natural Gas Company owns the Pictured Cliffs gas rights (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, and, therefore, notice to other operators is not necessary.

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

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

By *Sam Smith*
Sam Smith, Manager
Land Department



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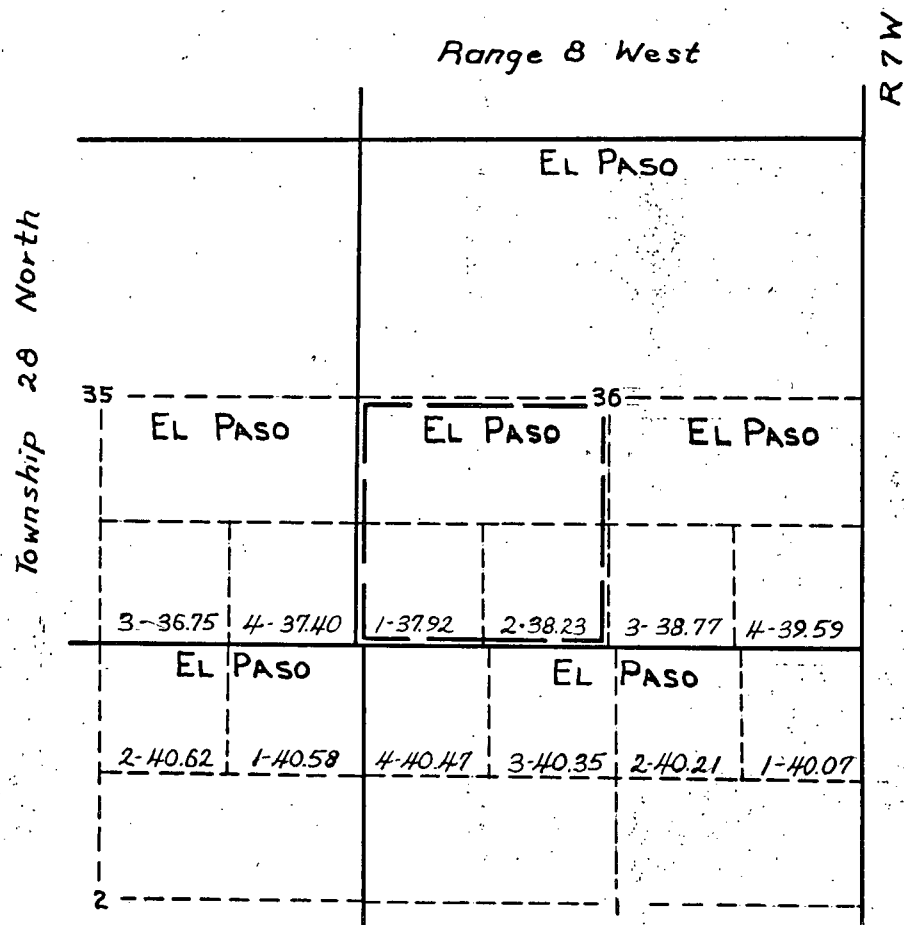
NM 117-U

SUBSCRIBED AND SWORN to before me by the said SAM SMITH this 24th day of August, 1962, to certify which witness my hand and seal of office.

Natalie Taylor
Notary Public

My commission expires:

NATALIE TAYLOR
Notary Public in and for El Paso County, Texas
My Commission Expires June 1, 1963



El Paso Natural Gas Company

*Plat Accompanying Application
For 156.15 Acre Non-Standard
Gas Unit*

*Blanco Gas Unit #4
Pictured Cliffs Formation*