OIL CONSERVATION COMISSION

P. O. BOX 871

SANTA FE, NEW MEXCO

August 9, 1956

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Attention: Mr. R. H. McKoy

Administrative Order NSL-57

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your Hugh J. Graham Well No. 2 to be located 18hh feet from the South line and 256 feet from the East line and in the NE/h SE/h of Section 9, Township 27 North, Range 8 West, South Blanco Pictured Cliffs Gas Pool, San Juan County, New Mexico.

It is our understanding that this unorthodox well location is based upon extreme topographic conditions in the SE/4 of said section.

Inasmuch as you furnished waivers from the offset operators, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 4 of the Special Rules and Regulations of the South Blanco Pictured Cliffs Gas Pool, as set forth in Order R-565-C, you are hereby granted an exception to Rule 3 of Order R-565-C for the above described unorthodox well location. You must also obtain like approval from the U. S. Geological Survey.

Very truly yours,

A. L. PORTER, JR. Secretary-Director

ALP:nc cc: OCC, Aztec USGS, Farmington

