

# FALCON CREEK RESOURCES, INC.

621 17<sup>th</sup> Street, Suite 1800, Denver, Colorado 80293-0621 (303) 675-0007 (303) 675-0008 Facsimile

---

January 25, 1999

Oil Conservation Division  
2040 Pacheco St.  
Santa Fe, New Mexico 87505

RE: Application for Non-Standard Proration Unit  
Falcon Creek "17" Federal #1  
660' FSL, 660' FWL  
"M" Section 17, T20S, R36E  
Lea County, New Mexico

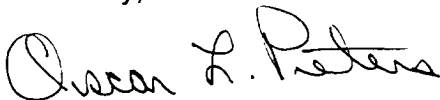
Gentlemen:

Please accept this letter as an Application for Non-Standard Spacing Unit. As required, we enclosed a Form C-102 showing the spacing requested. All interest owners and operators have been notified of this application by certified mail. Attached are the receipts for certified mail.

We are requesting a 160 acre spacing unit. This well appears to be a gas well producing from the Lower Seven Rivers formation.

Please advise if you have any questions, or need additional information. We appreciate your prompt attention with this matter.

Sincerely,



Oscar L. Peters  
Manager of Operations