OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE. NEW MEXICO

July 10, 1956

El Paso Natural Gas Company P. O. Box 997 Farmington, New Mexico

Attention: Mr. E. J. Coel

Administrative Order NSL-54

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your Schwerdtfeger Well No. 7-A, to be located 680 feet from the South line and 852 feet from the East line and in the SE/4 SE/4 of Section 31, Township 28 North, Range 8 West, South Blanco-Pictured Cliffs 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 there are no other 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:jh

cc: Oil Conservation Commission, Aztec

U. S. G. S., Farmington