OIL CONSERVATION COMMISSION P. C. BOX 871 SANTA FE, NEW MEXICO

October 21, 1957

Colorado Western Exploration, Inc. 312 United States National Bank Building Denver 2, Colorado

Attention: Mr. H. A. Trueblood, Jr.

Re: Southern Union - Govt Well No. 1-19 - SW/4 Section 19, Township 31 North, Range 12 West

Gentlemen:

1))

We are in receipt of your application dated October 16, 1957, wherein you requested administrative approval of a 304.48-acre nonstandard gas proration unit for the Mesaverde formation and a 151.30 acre non-standard gas proration unit for the Dakota formation for the above-captioned well.

Inasmuch as the Dakota completion does not fall within the scope of any special pool rules and Statewide Rule 104 (d) (2) requires only that a unit for a gas well in San Juan County be a quarter section comprising 160 acres, more or less, it is not felt that any administrative approval is necessary for your 151.30-acre Dakota unit.

A non-standard unit must be established for the Mesaverde completion, however, in accordance with the Blanco Mesaverde Pool Rules.

No indication is given in the application that any offset operators have been notified of the proposed non-standard unit. Section 15 of the above mentioned Blanco Mesaverde Pool Rules requires that you must furnish evidence that all operators owning interests in the section within which the non-standard unit is located as well as all operators owning interests in acreage offsetting the unit have been notified of the proposed unit or that waivers of objection from said operators be provided.

Your application must therefore be held in abeyance until

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such time as we have received either walvers or evidence that all offset operators, if any there be, have been notified.

Very truly yours,

DANIEL S. NUTTER Petroleum Engineer