

HENRY ENGINEERING

Petroleum Engineers

807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79704

January 12, 1967

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Non-Standard Gas Proration Unit
David Fasken #1 Shell-Federal
North Indian Hills Morrow Gas Pool
Eddy County, New Mexico

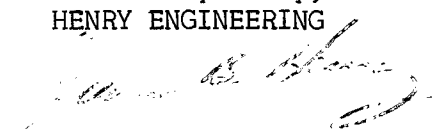
Dear Sir:

On behalf of our client, David Fasken, we hereby request approval of a Non-Standard Gas Proration Unit for his Shell-Federal Well No. 1, located in the North Indian Hills Morrow Gas Pool, being 1980' FWL & 1980' FSL of Section 5, T-21-S, R-24-E, NMPM, Eddy County, New Mexico.

The necessity for a Non-Standard Gas Proration Unit is occasioned by a variation in the legal subdivision of the U. S. Public Land Surveys wherein said Section 5 contains 926.46 acres. This entire section of Federal Leases has been communitized by Com. Agr. SW-381 effective September 1, 1966 (see attachment).

We are concurrently filing New Mexico Oil Conservation Commission Form C-123 requesting an extension of the North Indian Hills Morrow Gas Pool to cover Section 5, T-21-S, R-24-E, NMPM.

Yours very truly,
HENRY ENGINEERING


James B. Henry

JBH:bg
Attch.

cc: John A. Anderson - U.S.G.S., Roswell, New Mexico
James D. Webb - Monsanto Co., Midland, Texas
J. D. Duren - Shell Oil Co., Midland, Texas
Richard S. Brooks, David Fasken, Midland, Texas

3405
NSP-776
issue 1-19-66
Rule 39 R3081



UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

October 28, 1966

Whitaker & Brooks
608 First National Bank Building
Midland, Texas 79704

Attention: Mr. Richard S. Brooks

Gentlemen:

Enclosed are three approved copies of communitization agreement No. Com. Agr.-SW-381 involving 926.46 acres of land in Federal leases New Mexico 010567, 021029, 084402, 0207950, 0230377-B, and 0486483, Indian Basin field, Eddy County, New Mexico.

The agreement communitizes all rights as to dry gas and associated liquid hydrocarbons producible from the Cisco-Canyon and Morrow formations in sec. 5, T. 21 S., R. 24 E., N.M.P.M., and is effective as of September 1, 1966.

You are requested to furnish all interested principals with appropriate evidence of this approval.

The following items are also enclosed:

1. A copy of the latest nondiscrimination provision which should be used in future communitization and unit agreements.
2. An additional copy of Exhibit "A" marked to show the corrections deemed necessary by this office. Please revise Exhibit "A" in accordance with such instructions and furnish us with four corrected copies.

In the event that the David Fasken No. 1 Shell-Federal well in the NE1/4 sec. 5, T. 21 S., R. 24 E., is completed as a well capable of producing in paying quantities from the Cisco-Canyon and/or Morrow formations, you are requested to make application to the New Mexico Oil Conservation Commission for administrative approval of the 926.46-acre spacing unit dedicated to such well and to file four copies of such Commission Order with this office.

Sincerely yours,


JOHN A. ANDERSON

Regional Oil and Gas Supervisor