El Paso Natural Gas Company

El Paso, Texas

April 25, 1963

Skelly Oil Company
P. O. Box 38
Hobbs, New Mexico
Attn: Mr. H. E. Aab

El Paso Natural Gas Products Company P. O. Bex 1161 El Paso, Texas Attn: Mr. Roland Hamblin

Redfern & Herd, Inc.
P. O. Box 1747
Midland, Texas
Attn: Mr. William B. Johnston



Gentlemen:

El Paso Natural Gas Company has made application to the New Mexico Oil Conservation Commission for exception to Rule 4(a) of Order No. 1670-B for a non-standard proration unit Devils Fork-Gallup Pool due to the fact that El Paso Natural Gas Products Company has completed an oil well in the N/2 NW/4 of Section 17, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. The completion of this oil well will require the dedication of 80 acres, thereby leaving El Paso Natural Gas Company 240 acres in the Gallup Formation for their Canyon Largo Unit #89 Well located in the SW/4 SW/4 of Section 17, Township 24 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

The New Mexico Oil Conservation Commission has requested that El Paso Natural Gas Company file an application for non-standard proration unit. A copy of the application is enclosed for your information and files.

If you have no objection to the proposed application for exception to Rule 4(a) of Order No. R-1670-B for non-standard proration unit Devils Fork-Gallup Pool, please so indicate your approval by signing and returning one copy of this letter to the New Mexico Oil Conservation Commission, P. O. Box 871, Santa Fe, New Mexico; one copy to the New Mexico Oil Conservation

Commission, 1000 Brazos Road, Aztec, New Mexico; and one copy to the undersigned. Your early attention in this matter will be greatly appreciated and will expedite the consideration by the Oil Conservation Commission of the aforementioned application.

Very truly yours,

Charles T. Richardson

Area Coordinator Land Department

CTR: JBB: ag Enclosure

APPROVAL OF APPLICATION RECOMMENDED:

Spelly ail Co.

Date: 5-3-63