Three States Natural Gas Co., Corrigan Tower Bldg., Dallas 1. Texas

Gentlemen:

Re: SW4, Sec. 30, T27N, R10W San Juan County, N.Nex.

Kutz Canon 0il & Gas Co. has drilled upon the above described tract a well to the Pictured Cliff Formation, which resulted in the discovery of gas. The tract, because of a variation in the legal subdivision arising out of the survey of the land, consists of 167.64 acres.

Please be advised that Kutz Canon Oil & Gas Co. will make application to the Oil Conservation Commission of the State of New Mexico for approval of the tract as a non-standard gas pro-ration unit, and will request the Oil Conservation Commission to order a hearing in the matter.

Accordingly, notice is given to you as the operator of a tract offsetting the proposed non-standard gas pro-ration unit and as operator of the tracts described as SW; and NE; Section 80, Township 28 North, Range 10 West, San Juan County, New Mexico.

This notice is given to you by registered mail as required by the rules of the Oil Conservation Commission of the State of New Mexico.

Very truly yours, KUTZ CANON OIL & GAS CO.

Vice President	
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