MAN OFF AZTEGOOIL & GAS COMPANY

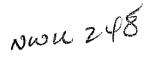
920 MERCANTILE SECURITIES BUILDING

DALLAS 1, TEXAS

QUILMAN B. DAVISES JAN 215 AM 8: 12

SECRETARY AND GENERAL ATTORNEY

January 21, 1958



New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

We have received a copy of El Paso Natural Gas Company's application to the Commission for approval of a non-standard gas proration unit consisting of the $NE_{\frac{1}{4}}^{\frac{1}{4}}$ (or Lots 1, 2, $W_{\frac{1}{2}}^{\frac{1}{2}}NE_{\frac{1}{4}}^{\frac{1}{4}}$) of Section 13, Township 27 North, Range 10 West, San Juan County, New Mexico, on which is located their Knauff No. 1 Well.

Aztec Oil & Gas Company, as an offset operator, has no objection to the proposed non-standard proration unit in the Fulcher-Kutz Pictured Cliffs gas pool, as set out in El Paso Natural's application to the Commission.

> Yours very truly, D. S. Davia:

QBD:NL

cc - El Paso Natural Gas Company

El Paso Natural Gas Company OFFICE OCC

El Paso, Texas

December 19, 1957

Oil Conservation Commission Of the State of New Mexico Post Office Box 871 Santa Fe, New Mexico

Re: Application for Exception to Rule 6(a)
Revised of Order No. R-565-C for NonStandard Proration Unit
Fulcher-Kutz Pictured Cliffs Gas Pool
San Juan County, New Mexico

Gentlemen:

El Paso Natural Gas Company hereby submits its application for administrative approval of a non-standard proration unit consisting of the NE/4 or (Lots 1,2, W/2 NE/4) of Section 13, Township 27 North, Range 10 West, San Juan County, New Mexico, and in support thereof states the following facts:

- 1. The Knauff #1 Well located 790' from the North line and 990' from the East line of Section 13, Township 27 North, Range 10 West was completed as a gas well from the Pictured Cliffs Formation on February 11, 1955.
- 2. That the proposed non-standard gas proration unit consists of 154.45 acres, which are contiguous quarter-quarter sections and lots.
- 3. That the proposed non-standard gas proration unit lies wholly within a single government section.
- 4. That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.
- 5. That by copy of this letter of application all operators owning interests (a) in the section in which any part of the non-standard proration unit is situated and which acreage is not included in said non-standard gas proration unit, and (b) in acreage offsetting the non-standard gas proration unit, are notified by registered mail of this proposed non-standard gas proration unit.

Therefore, El Paso Natural Gas Company requests that under the provision of

Rule 6(b) of Order No. R-565-C, the Secretary of the Commission grant exception to Rule 6(a) without Notice and Hearing and approve the subject non-standard gas proration unit.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

Manager

Land Department

SS:SHM:cl

SUBSCRIBED AND SWORN to before me by the said SAM SMITH this let day of mualy, 1958, to certify which witness my hand and seal of office.

My Commission expires:

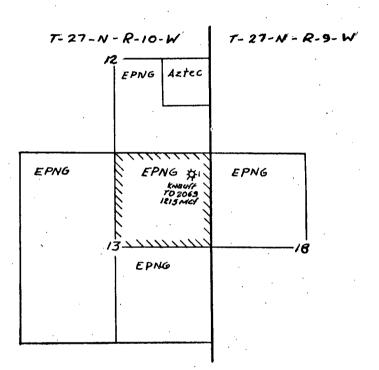
Notary Public in and for El Paso County,

State of Texas

HELEN ADAMS

Notary Public in and for El Paso County, Texas My Commission Expires June 1, 1959 A copy of the foregoing application for non-standard gas proration unit on the Knauff #1 Well was forwarded by registered mail, return receipt requested, to the following listed party:

Aztec Oil and Gas Company 920 Mercantile Securities Building Dallas 1, Texas



El Paso Natural Gas Co. Seale: 2"= 1 mile

Plat Accompanying Application for 1 154.45 - Acre Non-Standard Gas Unit Knauff #1