

Case 1295

SOUTHERN UNION GAS COMPANY  
BURT BUILDING  
DALLAS 1, TEXAS

N. P. CHESNUTT  
CHIEF ENGINEER

July 8, 1957

7-10-57

Oil Conservation Commission  
State of New Mexico  
Santa Fe, New Mexico

c/o Mr. Elvis Utz

Gentlemen:

In accordance with your telephone request of July 3, we have prepared an amendment to our application concerning the cancellation of underproduction as of the end of the current proration period in the San Juan Basin. Three copies of this amendment are attached hereto.

As discussed with you today by phone, if you have any questions concerning this matter or need any additional information, I would appreciate your so advising.

Yours truly,



NPC:rm  
Att.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SOUTHERN )  
UNION GAS COMPANY AND SOUTHERN UNION GATHER- )  
ING COMPANY FOR AN ORDER TEMPORARILY SUSPEND- )  
ING THE CANCELLATION FOR UNDERPRODUCTION OF )  
THE ACCUMULATED UNPRODUCED ALLOWABLES OF )  
CERTAIN WELLS IN THE AZTEC-PICTURED CLIFFS )  
BALLARD-PICTURED CLIFFS, FULCHER KUTZ-PICTURED )  
CLIFFS, SOUTH BLANCO-PICTURED CLIFFS, WEST )  
KUTZ-PICTURED CLIFFS AND BLANCO-MESAVERDE )  
GAS POOLS, SAN JUAN AND RIO ARriba COUNTIES, )  
NEW MEXICO )

CASE NO. 1295

AMENDMENT TO APPLICATION

Southern Union Gas Company and Southern Union Gathering Company recently filed their original Application in this proceeding with the Commission. By this amendment Applicants wish to amend the final two paragraphs of said Application constituting the prayer, so as to read as follows:

"WHEREFORE, Applicants request that the Commission, after such hearing and upon such notice as it may prescribe, enter its order or orders with respect to each and all of the gas wells listed in Exhibits A and B hereto extending to a date not earlier than January 31, 1958, the date upon which accumulated underproduction existing as of January 31, 1957, will be cancelled for continued non-production. Applicants also request that the Commission give consideration to the granting of similar relief, after such notice and hearing as it may prescribe, with respect to any and all wells of other producers in the same fields or areas of production if the facts and circumstances are such as to make similar relief necessary or appropriate under the statutes and the Commission's rules and regulations.

"As to the gas wells listed in Exhibits F and G hereto, it appears that they are presently incapable of making up their accumulated underproduction; however, if any of the same are shown at the hearing to be capable of making up any material portion of accumulated underproduction, it will be Applicants' purpose to include them among the wells listed on Exhibit A or Exhibit B for which relief is hereby requested."

It is understood by the Applicants that the Commission will not be able to reach this matter at the July hearing. Request is made accordingly that this Application be heard at the regular August hearing of the Commission.

Respectfully submitted,

SOUTHERN UNION GAS COMPANY

By J. C. Reil  
Vice President

A T T E S T :

J. V. McCreary  
Secretary

SOUTHERN UNION GATHERING COMPANY

By J. C. Reil  
Vice President

A T T E S T :

J. V. McCreary  
Secretary

il  
nec

STATE OF TEXAS )  
COUNTY OF DALLAS )

On this day personally appeared before me J. C. Reid,  
Vice President of SOUTHERN UNION GAS COMPANY, well known to me to be such  
person and officer and, being by me duly sworn, stated that as such offi-  
cer he executed the foregoing application on behalf of said corporation,  
that he has read said application and that, to the best of his knowledge,  
information and belief, all statements of fact therein contained are true  
and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office  
this 8th day of July, 1957.

My Commission Expires:

June 1, 1959

Jays Griffin  
Notary Public in and for  
Dallas County, Texas

STATE OF TEXAS )  
COUNTY OF DALLAS )

On this day personally appeared before me J. C. Reid,  
Vice President of SOUTHERN UNION GATHERING COMPANY, well known to me to be  
such person and officer and, being by me duly sworn, stated that as such  
officer he executed the foregoing application on behalf of said corpora-  
tion, that he has read said application and that, to the best of his know-  
ledge, information and belief, all statements of fact therein contained  
are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office  
this 8th day of July, 1957.

My Commission Expires:

June 1, 1959

Jays Griffin  
Notary Public in and for  
Dallas County, Texas

SOUTHERN UNION GAS COMPANY

BURT BUILDING

DALLAS 1, TEXAS

LEGAL DEPARTMENT

WILLIS L. LEA, JR.  
GENERAL ATTORNEY

A. S. GRENIER  
MILLARD F. CARR  
JACK HERTZ  
WM. S. JAMESON  
JAS. R. WETHERBEE

June 27, 1957

*July 1*

AIR MAIL

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

Gentlemen:

Forwarded herewith for filing with the Commission are three copies of an application by Southern Union Gas Company and Southern Union Gathering Company requesting an order of the Commission suspending from July 31, 1957, for a period of not less than six months the date upon which there will be cancelled for underproduction the accumulated underproduced allowables of 83 wells in the prorated gas pools of north-western New Mexico. A list of the wells for which such suspension of cancellation is requested appears in Exhibits A and B attached to each copy of the application.

We are hopeful that this matter can be heard by the Commission at its regular monthly hearing date on July 17, 1957. Please let us know promptly as to whether or not this will be possible, since we would like to give the operators of the affected wells as much advance notice as we can of the date of the hearing.

Very truly yours,

SOUTHERN UNION GAS COMPANY

*A. S. Grenier*

A. S. Grenier, Attorney

ASG:FG

Enc.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

JUL 27 1957

IN THE MATTER OF THE APPLICATION OF SOUTHERN )  
UNION GAS COMPANY AND SOUTHERN UNION GATHER- )  
ING COMPANY FOR AN ORDER TEMPORARILY SUSPEND- )  
ING THE CANCELLATION FOR UNDERPRODUCTION OF )  
THE ACCUMULATED UNPRODUCED ALLOWABLES OF )  
CERTAIN WELLS IN THE AZTEC-PICTURED CLIFFS, )  
BALLARD-PICTURED CLIFFS, FULCHER KUTZ-PICTURED )  
CLIFFS, SOUTH BLANCO-PICTURED CLIFFS, WEST )  
KUTZ-PICTURED CLIFFS AND BLANCO-MESAVERDE )  
GAS POOLS, SAN JUAN AND RIO ARriba COUNTIES, )  
NEW MEXICO )

CASE NO. 1295

APPLICATION

Come now Southern Union Gas Company and Southern Union Gathering Company (herein referred to respectively as "Gas Company" and "Gathering Company" and together as "Applicants"), each a Delaware corporation with its principal place of business in the Burt Building, Dallas, Texas, and hereby make application for an order of the Commission suspending from July 31, 1957, for a period of not less than six months the date upon which there will be cancelled for underproduction the accumulated unproduced allowables of certain gas wells, more fully hereinafter described, in the Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, West Kutz-Pictured Cliffs and Blanco-Mesaverde Gas Pools in San Juan and Rio Arriba Counties, New Mexico. In support of such application Applicants respectfully state and show the following:

1.

Gas Company is the owner and operator of a pipe line system by means of which it distributes and sells natural gas at retail in Albuquerque, Santa Fe, Espanola, Farmington, Aztec and other communities and areas in northwestern New Mexico. In order to obtain the gas necessary to render this service, Gas Company owns and operates extensive gathering facilities extending into all the gas pools in the San Juan Basin area which are subject to the prorationing orders issued to date by the

Commission. Additional gathering facilities in the Blanco-Mesaverde Gas Pool are also owned and operated by Gathering Company, a wholly-owned subsidiary of Gas Company. As of May 31, 1957, the number of gas wells connected to Applicants' northwestern New Mexico lines was as follows:

<u>Pool</u>	<u>No. of Wells</u>
Aztec-Pictured Cliffs	43
Ballard-Pictured Cliffs	31
Fulcher Kutz-Pictured Cliffs	184
South Blanco-Pictured Cliffs	52
West Kutz-Pictured Cliffs	43
Blanco-Mesaverde	177
Other Unprorated Northwestern New Mexico Polls	<u>71</u>
Total	601

2.

In addition to Applicants, two other companies, El Paso Natural Gas Company (herein called "El Paso"), and Pacific Northwest Pipeline Corporation (herein called "Pacific"), also own and operate extensive gathering systems in the San Juan Basin area. During the 12-month period ending March 31, 1957, the takings of gas by said companies and Applicants from the prorated fields to which this application relates are indicated by the Commission's monthly proration schedules to have been as follows:

<u>Field</u>	<u>Applicants</u>		<u>El Paso</u>		<u>Pacific</u>		<u>Total MCF</u>
	<u>MCF</u>	<u>% of Total</u>	<u>MCF</u>	<u>% of Total</u>	<u>MCF</u>	<u>% of Total</u>	
Aztec-PC	2,322,141	27.01	6,277,257	72.99	-		8,599,398
Ballard- PC <u>1/</u>	766,993	9.32	7,458,449	90.68	-		8,225,442
Fulcher- Kutz-PC	4,925,143	64.43	2,718,738	35.57	-		7,643,881
South Blanco-PC	1,466,650	12.73	10,053,376	87.27	-		11,520,026
West Kutz- PC	1,735,696	22.69	5,914,248	77.31	-		7,649,944
Blanco-MV	<u>22,653,148</u>	<u>14.42</u>	<u>123,313,826</u>	<u>78.51</u>	<u>11,092,313</u>	<u>7.07</u>	<u>157,059,287</u>
Total	33,869,771	16.87	155,735,894	77.60	11,092,313	5.53	200,697,978

1/ Production from this field included only for September 1956, and subsequent months.

The foregoing table clearly indicates that, since under the Commission's northwestern New Mexico gas prorationing orders well allowables are directly related to total market demand and to total production, El Paso's takings of gas are at present the dominant factor in the setting of allowables in these six fields. By the same token Applicants, whose takings of gas during the period amounted to only 16.87% of the total, were able to influence allowables by means of their takings of gas only in relatively minor degree.

The facts just mentioned might be of considerably less importance if Gas Company were able to take and market gas from the area on substantially the same annual load factor basis as El Paso. Unfortunately, however, this is not the case. The territory served by Gas Company with San Juan Basin gas is relatively undeveloped industrially, leaving its peak requirements to be determined in large measure by the winter space-heating load of its domestic and small commercial customers. For several years past Gas Company has been called upon to deliver approximately twice as much gas in this area during periods of peak winter usage as it has been able to market on the average throughout the year. In contrast to this 50% load factor of Gas Company, that of El Paso, which serves the tremendous California market with its numerous large, interruptible, industrial consumers, has for several years past been substantially higher.

Because of this disparity in load factors, it became apparent some time ago to both companies concerned that the only feasible way Gas Company could increase its takings of gas from the wells connected to its northwestern New Mexico lines so as to make them ratable on a well by well basis with El Paso's takings in the same area would be for Gas Company to sell considerable volumes of gas to El Paso on almost a continuous basis. Accordingly, in 1953 Gas Company organized a new subsidiary, Gathering Company, turned over to it gas purchase rights covering almost 100 wells and locations in the Blanco-Mesaverde Field,



and caused Gathering Company to begin deliveries to El Paso in September of that year, which have increased from an initial rate of approximately 15,000 MCF per day to the full capacity of the Gathering Company facilities, or approximately 65,000 MCF per day at the present time.

These arrangements between Gas Company and El Paso worked fairly satisfactorily until the latter portion of 1956, when Pacific began taking gas from the San Juan Basin area in significant volumes for the first time and El Paso, having completed new transmission facilities to California, simultaneously began taking at a markedly increased rate. Since that time the situation, at least from Gas Company's standpoint, has progressively deteriorated. The latest data available to Applicants indicates that at the end of March, 1957 Applicants were underproduced on a cumulative basis by 3,106,229 MCF in the prorated northwestern New Mexico fields, while El Paso was overproduced by 1, 178,008 MCF and Pacific was overproduced by 1,928,221 MCF in the same fields.

In the light of the circumstances just outlined, El Paso and Applicants have within the past month agreed to arrangements which will enable Gathering Company to increase its deliveries to El Paso to a level of from 80 to 90 million cubic feet per day. Because these arrangements involve the transfer from intrastate to interstate commerce of the production of some 80 Mesaverde and 5 Pictured Cliffs wells, they cannot become operative until appropriate Certificates of Public Convenience and Necessity have been obtained from the Federal Power Commission under the provisions of the Natural Gas Act. Applicants currently are engaged in the preparation of applications for such Certificates, and expect to be able to file same within the next few weeks. Such applications will include a request for prompt issuance of temporary Certificates, so that the new deliveries to El Paso may be commenced without undue delay.

3.

As of May 31, 1957, the latest date as of which data is available, Applicants by reason of the facts and circumstances mentioned hereinabove,

had a total of 179 wells connected to their gathering lines in the prorated northwestern New Mexico pool which, having been underproduced on January 31, 1957, the close of the preceding 6-month balancing period, had back unproduced allowables which, unless made up by July 31, 1957, would then be subject to cancellation. These wells fall into two different categories. On the one hand there is a group of 83 wells (listed in Exhibits A and B hereto annexed) which are capable of producing gas in volumes greater than the respective allowables currently being assigned to them and hence, when provided with an adequate market, will be capable of making up their back underproduction. On the other hand there is a group of 96 wells (listed in Exhibits F and G hereto) which have demonstrated themselves to be currently incapable of producing their respective allowables.

Further data regarding the wells listed in Exhibits A and B is also included in Exhibits C, D, and E hereto annexed. Exhibit C summarizes by pools and companies the aggregate volumes of underproduced gas currently subject to cancellation as of July 31, 1957, the total of such volumes amounting to 1,145,257 MCF. Exhibits D and E indicate for each well the average monthly allowable during the 16-month period ending May 31, 1957, as compared to the well's maximum production during any calendar month in the same period.

4.

All of the facts and circumstances outlined above considered, Applicants submit that the interests of the owners of the wells listed in Exhibits A and B hereto will be unreasonably and unjustifiably prejudiced if the allowables of such wells becoming subject to cancellation for underproduction on July 31, 1957, are in fact cancelled on that date. The presently accumulated underproduction of these wells has been caused by circumstances over which their owners have had little if any control. These wells, as shown by Exhibits D and E, all are physically capable within a reasonable period of time of working off the underproduction currently built up against them, and Applicants' recent agreements with El

Paso give every promise of providing an adequate market to make this possible.


WHEREFORE, Applicants request that the Commission, after such hearing and upon such notice as it may prescribe, enter its order or orders with respect to each and all of the gas wells listed in Exhibits A and B hereto extending to a date not earlier than January 31, 1958, the date upon which accumulated underproduction existing as of January 31, 1957, will be cancelled for continued nonproduction.

Applicants request no relief with respect to the gas wells listed in Schedules F and G hereto inasmuch as these wells, in the opinion of Applicants, are incapable at this time of making up any material portion of their aggregate of 1,670,573 MCF of presently accumulated underproduction subject to cancellation as of July 31, 1957.

Respectfully submitted,

SOUTHERN UNION GAS COMPANY

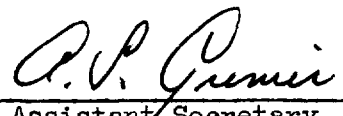
ATTEST:

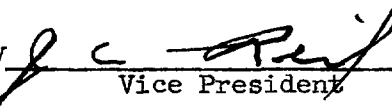
  
Assistant Secretary

By   
Vice President

ATTEST:

SOUTHERN UNION GATHERING COMPANY

  
Assistant Secretary

By   
Vice President

STATE OF TEXAS       )  
COUNTY OF DALLAS    )

On this day personally appeared before me J. C. Reid Vice President of Southern Union Gas Company, well known to me to be such person and officer and, being by me duly sworn, stated that as such officer he executed the foregoing application on behalf of said corporation, that he has read said application and that, to the best of his knowledge, information and belief, all statements of fact therein contained are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this 26th day of June, 1957.

Jaye Griffin  
Notary Public in and for  
Dallas County, Texas

My Commission Expires:

June 1, 1959

STATE OF TEXAS       )  
COUNTY OF DALLAS    )

On this day personally appeared before me J. C. Reid Vice President of Southern Union Gathering Company, well known to me to be such person and officer and, being by me duly sworn, stated that as such officer he executed the foregoing application on behalf of said corporation, that he has read said application and that, to the best of his knowledge, information and belief, all statements of fact therein contained are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this 26th day of June, 1957.

Jaye Griffin  
Notary Public in and for  
Dallas County, Texas

My Commission Expires:

June 1, 1959

SOUTHERN UNION GAMING COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERRED CANCELLATION OF ALLOWANCES  
FOR UNDERPRODUCTION IS REQUESTED

	STATES JAN. 31, 1957	FEBRUARY			MARCH			APRIL			MAY			CUMULATIVE STATUS MAY 31, 1957 OVER
		ALLOWABLES	PRODUCTION	SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	SUBJECT TO CANCELLATION	
BLANCO MESA W-20E														
DELHI TAYLOR OIL CORP.														
Florence Federal #1-6	67,661	48,998	53,878	62,781	34,752	52,695	44,838	34,374	53,483	25,729	34,396	45,512	14,613	14,613
Florence Federal #1-19	23,766	19,243	17,986	23,766	13,672	18,297	19,141	13,529	18,442	14,228	13,537	16,425	11,340	12,597
Florence Federal #1-25	9,073	7,584	4,783	9,073	5,410	5,575	8,908	5,360	5,623	8,645	5,363	5,775	8,233	11,034
Florence Federal #1-40	20,425	14,892	12,417	20,425	10,589	12,749	18,265	10,481	13,477	15,269	10,487	14,172	11,584	14,059
Florence Federal #1-31	42,373	27,999	26,122	42,373	19,875	26,981	35,267	19,664	24,658	30,293	19,676	26,773	23,136	25,073
Florence Federal #1-46	21,460	21,460	19,942	21,460	15,597	18,890	27,585	15,433	19,129	23,889	15,442	18,942	20,389	22,407
Florence Federal #2-9	30,878	12,724	7,277	30,878	9,053	13,970	11,289	8,962	13,772	6,479	8,967	10,457	5,039	10,486
Florence Federal #2-10	16,206	12,724	10,741	16,206	8,421	8,745	12,296	8,337	8,017	12,296	8,342	9,246	11,392	12,802
Florence Federal #2-23	9,341	8,127	6,756	9,341	5,793	6,670	8,454	5,738	6,937	7,265	5,741	6,948	6,058	7,429
Florence Federal #2-27	24,476	8,360	4,286	24,476	5,958	5,201	24,476	5,902	6,715	23,663	5,905	6,360	23,208	28,039
Florence Federal #2-41	12,598	8,332	12,105	12,598	9,422	13,152	9,268	9,327	12,550	6,045	9,332	13,170	2,207	3,347
Florence Federal #2-44	14,598	66,928	4,694	14,598	5,941	6,103	14,396	5,885	6,038	14,243	5,888	5,344	14,243	18,425
Florence Federal #4-20	101,147	19,215	15,753	101,147	47,459	65,781	82,825	46,940	71,703	58,062	46,970	74,842	30,190	31,123
Glenn #1	18,197	15,468	12,183	18,197	13,652	12,787	18,197	13,510	17,313	14,394	13,518	14,314	13,598	17,729
Howell #1	44,201	15,468	12,183	44,201	10,998	12,787	12,442	10,885	11,688	41,639	10,892	15,017	37,514	40,799
Howell #2	55,876	49,094	40,611	55,876	34,820	39,489	51,207	34,442	42,767	42,882	34,464	44,985	32,361	40,544
Jene Mansfield	29,669	11,077	7,668	29,669	7,886	9,369	28,186	7,808	10,075	25,919	7,813	7,347	25,919	29,794
K. F. Moore #5	88,136	57,480	38,703	88,136	40,761	48,286	80,611	40,316	43,658	77,269	40,342	43,701	73,910	92,687
Prichard #1	26,416	20,053	19,572	26,416	14,245	19,833	20,828	14,097	19,211	15,714	14,105	16,187	13,632	14,113
Prichard #2	256,535	98,215	75,996	256,535	69,621	141,044	185,112	68,853	131,688	122,277	125,445	155,059	92,663	114,882
Prichard #1-3	7,873	11,296	7,062	7,873	8,042	9,737	6,178	7,962	10,005	4,135	7,967	11,022	1,080	5,314
State #1	9,548	8,030	5,974	9,548	5,727	6,136	9,139	5,674	6,005	8,808	5,677	7,053	7,432	9,488
FIRST PETROLEUM CORPORATION														
State #2	15,000	11,269	8,946	15,000	8,023	9,783	13,239	7,943	8,979	12,203	7,949	8,446	11,706	14,030
SOUTHERN UNION GAS COMPANY														
Polina #1	34,966	13,245	6,826	34,966	9,422	8,187	38,866	9,328	12,736	35,438	9,333	16,424	28,367	36,021
Seymour #1	16,196	10,747	8,631	16,196	7,653	10,848	13,001	7,578	7,680	12,899	7,582	9,669	10,812	12,528
Seymour #7	29,328	18,200	17,958	29,328	12,933	17,737	24,524	12,799	14,601	22,722	12,806	13,946	21,582	21,324
TOTAL	1,021,363	613,612	512,865	1,016,483	435,725	600,998	848,548	431,127	596,930	682,425	487,939	617,086	552,268	661,887

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF ALLOWABLES  
FOR UNDERPRODUCTION IS REQUESTED

	STATUS JAN. 31, 1957	FEBRUARY			MARCH			APRIL			MAY			CUMULATIVE STATUS MAY 31, 1957 OVER
		ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	
<u>AZTEC P. C.</u>														
<u>AZTEC OIL &amp; GAS COMPANY</u>														
Hampton #1	25,398	18,623	-0-	25,398	21,161	15,151	25,398	18,035	11,404	25,398	17,059	20,969	22,348	53,632
Hampton #2	9,541	11,480	16,112	4,909	13,046	17,802	153	11,120	8,478	153	11,068	9,491	153	4,392
<u>SOUTHERN UNION GAS CO.</u>														
Section #1	776	4,503	5,072	207	5,120	4,326	207	4,365	2,277	207	4,377	5,272	698	2,194
Zachry #1	8,770	5,729	6,286	8,173	6,515	5,834	8,173	5,555	5,814	7,914	5,569	7,025	6,458	7,130
<u>TOTAL AZTEC P. C.</u>														
44,405	40,335	27,470	38,647	45,842	43,113	38,891	39,075	27,973	38,632	38,993	42,757	29,647	67,337	

**BALLARD P. C.**

**SOUTHERN UNION GAS CO.**  
Newcom 2-A  
Newcom 4-B

3,427	6,221	5,333	3,427	9,852	1,309	3,427	6,423	1,348	3,427	2,801	5,008	1,220	15,286
2,790	6,167	4,806	2,790	9,767	1,143	2,790	6,367	1,572	2,790	2,777	4,721	846	15,286
<b>6,217</b>	<b>12,388</b>	<b>10,139</b>	<b>6,217</b>	<b>19,619</b>	<b>2,452</b>	<b>6,217</b>	<b>12,790</b>	<b>3,320</b>	<b>6,217</b>	<b>5,578</b>	<b>9,729</b>	<b>2,066</b>	<b>30,952</b>

**BLANCO MESA VERDE**

**AZTEC OIL & GAS CO.**

6,258	13,218	9,239	6,258	9,403	9,735	5,926	9,308	10,530	4,704	9,314	11,388	2,630	6,609
27,125	10,569	2,065	27,125	7,526	10,614	24,037	7,453	10,486	21,004	7,457	9,416	19,045	27,549
27,089	8,325	5,905	27,089	5,935	7,620	24,404	5,878	8,102	23,181	5,882	8,127	20,936	23,356
24,986	10,322	6,425	24,986	7,350	8,106	24,430	7,278	8,363	23,145	7,282	9,822	20,605	24,302
23,930	11,996	10,726	23,930	8,537	11,164	21,303	8,453	12,768	16,988	8,457	12,027	13,418	14,688
24,751	26,791	26,360	24,751	19,019	25,430	237,105	18,817	34,539	221,383	18,829	30,354	209,858	210,289
6,515	11,736	9,202	6,515	8,352	10,604	4,263	8,269	11,837	695	8,274	8,765	204	2,738
23,319	13,314	5,471	23,319	9,471	4,519	23,319	9,376	10,064	22,631	9,381	10,139	21,873	34,668
14,010	7,427	6,921	14,010	5,298	5,926	13,382	5,249	5,991	12,640	5,251	7,125	10,766	11,272
5,245	11,914	8,199	5,245	8,479	8,769	4,955	8,395	8,329	4,955	8,400	8,492	4,863	8,654
4,777	10,884	2,634	4,777	7,750	7,383	4,717	7,674	7,198	4,717	7,678	8,791	3,604	12,697
11,026	10,335	4,357	11,026	7,361	10,457	7,930	7,289	9,868	5,351	7,293	9,920	2,724	8,672
11,349	9,649	6,273	11,349	6,875	7,406	10,618	6,808	8,121	9,505	6,812	8,863	7,454	10,830

**GAS PRODUCTION, INC.**

12,512	10,335	9,010	12,512	7,361	8,492	11,381	7,289	9,187	9,483	7,293	8,903	7,873	9,198
12,532	10,802	5,232	12,532	7,692	7,515	12,532	7,616	7,940	12,208	7,620	9,081	10,747	16,494
11,849	10,033	7,077	11,849	7,147	7,972	11,024	7,078	8,515	9,387	7,082	7,562	9,107	12,063

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEPOSIT OF CANCELLATION OF ALLOWANCES  
FOR UNDERPRODUCTION IS REQUESTED

		FEBRUARY			MARCH			APRIL			MAY			BALANCE SUBJECT TO CANCELLATION	BALANCE SUBJECT TO CANCELLATION	CUMULATIVE STATUS MAY 31, 1957 TYPE UNDER
STATUS	JAN. 31, 1957	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION
BLANCO MESA VERDE (cont.)	6,027	9,636	8,008	6,027	6,864	8,191	4,700	6,797	9,340	2,137	6,801	7,921	1,037			2,645
CHRONOPETER OIL CO. Vasey #1																
TOTAL	476,005	197,286	133,124	476,005	140,420	161,903	447,026	139,028	181,178	404,334	139,106	176,696	366,744			436,944

WILCOX UNIT 2 & 3

ANGELS PEAK OIL CO.																
Angels Peak 12-B	5,692	1,763	2,309	4,552	2,564	3,593	3,533	1,707	3,490	1,750	1,693	2,580	863			863
Angels Peak 13-B	1,528	1,753	1,528	1,528	2,564	2,515	1,528	1,707	2,277	1,750	1,693	1,566	958			1,244
Angels Peak 14-B	9,259	2,065	2,373	8,451	3,004	3,970	7,455	2,081	3,522	5,964	1,984	2,810	5,138			5,138
Angels Peak 15-B	3,458	2,147	2,594	3,047	3,124	2,082	3,047	2,081	2,298	2,930	2,084	2,241	2,553			2,553
Angels Peak 16-B	10,244	2,193	2,319	10,118	3,191	4,304	8,505	2,125	4,193	6,437	2,108	4,072	4,473			4,473
Angels Peak 17-B	4,202	2,010	2,056	4,162	2,924	2,388	4,162	1,947	2,464	3,545	1,931	2,453	3,123			3,123

AZTEC OIL & GAS CO.

A-see 5	13,393	2,796	1,900	13,393	4,072	2,436	13,393	2,711	3,213	12,891	2,699	3,139	12,441			14,543
Cooper 2	2,283	1,259	1,528	1,844	1,572	1,515	1,944	1,247	1,427	1,764	1,237	1,477	1,764			2,431
Cornell 7	7,203	2,248	1,700	7,203	3,271	3,199	7,303	2,178	3,506	5,575	2,160	2,972	5,563			5,713
Cozzens 1	7,153	1,459	2,211	2,411	2,121	1,764	2,411	1,412	2,119	1,704	1,401	2,009	1,996			1,453
Hanks 1	2,059	2,019	3,045	1,033	2,938	2,826	1,033	1,956	1,360	1,033	1,940	668	1,033			3,023
Hubbell 1	6,568	2,613	4,046	5,135	3,405	3,683	5,135	2,534	4,328	3,341	2,513	4,848	1,006			1,128
Hubbell 2	2,062	2,751	3,078	1,735	4,005	1,564	1,735	2,567	1,313	1,735	2,545	1,406	1,735			5,769
Lachar-Hubbell 1	5,552	1,708	2,504	4,756	2,484	2,492	4,748	1,554	2,007	4,395	1,641	3,046	2,990			2,990
Hutches 1	4,627	1,955	2,337	4,245	2,814	2,697	4,245	1,894	2,203	3,936	1,898	3,167	2,647			2,794
Katiller 1	2,737	1,120	3,016	1,841	3,084	2,056	1,841	2,054	2,851	1,044	2,037	2,513	2,513			1,596
Namoun 2	7,525	3,930	4,296	7,169	5,726	4,516	7,169	3,813	5,173	5,839	3,782	4,043	5,578			6,585
McDaniel 1	2,265	1,652	2,334	1,593	2,417	1,233	1,593	1,510	1,353	1,593	1,597	2,579	611			2,052
McDaniel 3	3,507	1,196	1,322	3,381	1,737	1,159	3,381	1,137	1,266	3,272	1,147	3,593	3,272			4,434
Newman 4	11,439	2,511	3,023	10,027	3,656	4,154	9,529	2,435	2,793	9,171	2,414	3,558	7,927			7,927
Newman 6-A	4,245	1,287	2,277	3,255	1,970	2,123	2,992	1,245	1,173	2,992	1,235	2,022	2,205			2,277
Newman 7-A	2,274	1,059	1,150	2,173	1,537	1,162	2,173	1,023	906	2,173	1,015	1,282	1,906			2,396
Raid 2	4,086	1,992	1,549	4,896	2,598	1,572	4,896	1,930	2,996	3,820	1,914	1,794	3,820			5,709

CHOCROSS OIL COMPANY

Garland 1-B	6,401	1,662	2,271	5,792	2,417	2,117	5,792	1,610	2,514	4,988	1,597	1,937	4,548			4,848
-------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	--	--	-------

DEHL-TAYLOR OIL CORP.

Osler 1	2,732	2,156	2,072	2,339	3,138	3,481	1,996	2,089	2,472	1,613	2,072	3,550	135			219
Osler 3	1,227	1,050	1,301	975	1,523	1,048	976	1,014	1,092	898	1,006	1,187	717			1,192
Osler 7	1,231	1,077	1,176	932	1,563	1,341	932	1,041	1,016	932	1,033	1,505	460			707

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEPARTMENT OF CANCELLATION OF ALLOWABLES  
FOR UNDERPRODUCTION IS REQUESTED

EXHIBIT F  
SHEET 3 OF 4

	STATUS JAN. 31, 1957	FEBRUARY			MARCH			APRIL			MAY			CUMULATIVE STATUS MAY 31, 1957 CYCLE
		ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION		
<u>EL PASO NATURAL GAS CO.</u>														
Harvey 1	2,965	1,452	1,985	2,432	2,110	1,776	2,432	1,405	1,469	2,368	1,394	2,373	1,389	1,723
Johnson 1	2,232	1,159	799	2,232	1,683	800	2,232	1,121 ( 964)	869	2,232	1,112	1,604	1,740	2,275
K. C. Deep Test 1	4,566	1,105	1,371	4,300	1,603	1,181	4,300	1,068	678	3,726	1,059	1,293	3,492	3,914
Turner-Fessell 1	4,078	1,214	1,598	3,694	1,763	1,244	3,694	1,174	1,124	3,694	1,165	1,835	3,024	3,698
Turner Deep Test 1	3,687	1,187	1,633	3,241	1,723	1,434	3,241	1,148	1,177	3,212	1,138	1,828	2,522	2,811
<u>KNOX OIL COMPANY</u>														
Futz Govt. 5	11,573	3,299	5,792	9,180	4,806	5,109	8,877	3,200	4,122	7,955	3,174	3,695	7,434	7,434
Futz Govt. 10	2,430	1,415	2,344	1,501	2,057	2,092	1,466	1,370	1,631	1,205	1,399	251	1,205	2,313
Robert L. "ADDOX" Hargis 1	2,282	1,507	1,766	2,023	2,190	1,613	2,023	1,459	2,541	941	1,447	1,658	730	1,307
<u>POLASH COMPANY OF AMERICA</u>														
Pickin 1	462	1,425	1,413	462	2,070	1,274	462	1,379	1,010	462	1,367	1,634	195	1,372
<u>SCOTT, SOOTH &amp; SHEPARD</u>														
Gartoll-Gonnell 1	4,389	1,745	2,144	3,990	2,537	1,987	3,990	1,690	2,108	3,572	1,676	54	3,572	5,744
<u>PAN AMERICAN PETROLEUM CORP.</u>														
SHASTING OIL & GAS CO.														
Dry 2C	1,809	1,626	1,655	1,780	2,364	2,336	1,780	1,574	1,781	1,573	1,561	2,599	535	563
Fessell 1A	4,872	3,007	4,844	3,035	4,379	4,232	3,035	2,916	3,482	2,469	2,892	5,331	30	177
Harvey 1B	4,969	1,489	2,201	4,297	2,164	2,592	3,829	1,441	1,835	3,435	1,429	2,785	2,079	2,079
K. C. Deep Test 1C	2,761	1,050	1,122	2,689	1,523	1,367	2,689	1,014	1,306	2,397	1,006	1,637	1,766	1,922
<u>SMART OIL COMPANY</u>														
Summit 4	10,072	3,610	2,806	10,072	5,299	4,360	10,072	3,502	4,748	8,826	3,473	3,885	8,414	10,117
<u>THREE STATES NATURAL GAS CO.</u>														
Davidson 1B	5,055	1,562	1,286	5,055	2,271	1,813	5,055	1,512	3,204	3,363	1,500	3,039	1,824	2,598
Harvey 10	6,093	1,260	521	6,093	1,830	634	6,093	1,219	766	6,093	1,209	2,094	5,168	7,556
TOTAL	203,796	81,593	98,964	184,143	118,681	103,804	178,667	78,175	99,176	154,016	78,347	101,702	123,849	158,946

SC. BLANCO P.C. FIELD

TEMPLE OIL COMPANY  
Jocilla 25-J

(1,403)  
1,737

1,335

3,962

7,717



SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF ALLOWABLES  
FOR UNDER-PRODUCTION IS REQUESTED

EXHIBIT B  
SHEET 4 OF 4

	STATUS JAN. 31, 1957	FEBRUARY			MARCH			APRIL			MAY			CUMULATION STATUS MAY 31, 1957
		BALANCE SUBJECT TO CANCELLATION			BALANCE SUBJECT TO CANCELLATION			BALANCE SUBJECT TO CANCELLATION			BALANCE SUBJECT TO CANCELLATION			
		ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	ALLOWABLES	PRODUCTION	CANCELLATION	
LOPEZ ET AL OPERAT. ACCT.														
Doswell PC-83	6,447	3,398	4,100	5,735	4,164	3,212	5,735	3,426	1,360	5,735	2,257	3,951	4,941	7,959
Doswell PC-85	9,704	2,392	1,143	9,704	2,958	1,330	9,704	2,434	1,352	9,704	1,604	2,122	9,186	1,145
Doswell PC-97	5,203	2,488	2,603	5,088	3,075	3,062	5,088	2,530	2,141	5,088	1,667	2,479	4,276	4,678
Doswell PC-125	13,552	4,813	3,178	13,552	5,890	3,974	13,552	4,844	2,796	13,552	3,192	4,205	12,539	13,138
Doswell PC-129	5,884	2,938	2,440	5,884	3,620	2,286	5,884	2,978	1,961	5,884	1,962	3,583	4,263	7,112
Doswell PC-131	10,365	3,656	4,010	10,011	4,489	4,113	10,011	3,692	3,691	10,011	2,433	4,868	7,576	7,953
Doswell PC-177	2,380	2,563	2,914	2,029	3,166	2,740	2,029	2,605	2,155	2,029	1,716	2,635	1,110	1,986
Doswell PC-179	8,410	4,428	4,966	7,842	5,423	6,075	7,190	4,460	3,409	7,190	2,939	4,599	5,530	6,581
Doswell PC-239	11,313	5,113	4,881	11,313	6,253	7,326	10,240	5,142	4,353	10,240	3,389	6,685	6,944	7,955
Doswell PC-277	5,963	3,851	3,929	5,915	4,761	4,320	5,915	3,916	4,210	5,921	2,581	4,319	3,883	4,324
ROBERT E. MEAD														
Scott 1-B	3,463	2,349	2,968	2,844	2,906	3,227	2,523	2,392	2,829	2,086	1,576	2,366	1,296	1,296
TOTAL SO BLANCO P.C. FIELD	87,647	40,605	39,703	84,880	49,909	43,468	82,834	41,056	30,395	82,103	25,650	42,247	65,506	85,854
WEST KUTZ P. C.														
WESTERN DEVELOPMENT CO.														
Bear #9	3,640	5,441	4,435	3,640	5,419	4,080	3,640	4,965	4,364	3,640	3,149	3,701	3,088	6,034
Bear #11	1,842	5,796	3,669	1,842	5,774	3,901	1,815	5,291	5,384	1,722	3,353	4,975	100	2,227
Bear #12	912	2,945	2,498	912	2,920	2,336	912	2,672	2,532	912	2,292	2,719	339	1,510
Midee #1	3,010	4,507	2,633	3,010	4,485	3,798	3,010	4,108	4,305	2,813	2,614	3,777	1,650	4,251
TOTAL WEST KUTZ	9,404	18,689	13,235	9,404	18,598	15,975	9,377	17,036	16,385	9,087	10,835	14,145	5,177	14,032

S U M M A R Y

SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF ALLOWANCES  
FOR UNDERPRODUCTION IS REQUESTED BY SOUTHERN UNION GAS COMPANY AND  
SOUTHERN UNION GATHERING COMPANY

EXHIBIT C  
SHEET 1 of 1

	STATUS JAN. 31, 1957	FEBRUARY			MARCH			APRIL			MAY			CUMULATIVE STATUS MAY 31, 1957 OVER
		ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	ALLOWABLES	PRODUCTION	BALANCE SUBJECT TO CANCELLATION	
SOUTHERN UNION GAS COMPANY														
AZTEC P. C. POOL	44,445	40,335	27,470	38,674	45,842	43,113	33,891	39,075	27,973	33,632	38,993	42,757	29,647	67,337
BALLARD P.C. POOL	6,217	12,388	10,139	6,217	19,619	2,452	6,217	12,790	3,320	6,217	5,578	9,729	2,066	30,952
BLANCO MESA VERDE POOL	476,005	197,286	133,124	476,005	140,420	163,903	447,026	139,028	181,178	404,334	139,106	176,696	366,744	436,944
FULCHER KUTZ P.C. POOL	205,796	81,593	98,964	184,143	118,681	103,804	178,667	78,175	99,176	154,016	78,347	101,702	121,849	158,946
SOUTH BLANCO P.C. POOL	87,647	40,605	39,703	84,879	49,909	43,468	82,833	41,056	30,995	82,102	25,650	42,247	65,506	88,854
WEST KUTZ P.C. POOL	9,404	18,689	13,235	9,404	18,598	15,975	9,377	17,036	16,585	9,087	10,835	14,745	5,177	14,022
TOTAL SOUTHERN UNION GAS CO.	829,474	390,896	322,635	799,322	393,669	372,715	788,011	327,160	358,827	689,388	298,509	387,576	592,389	797,055
SOUTHERN UNION GATHERING CO.														
BLANCO-MESA VERDE POOL	1,021,363	613,612	512,865	1,016,483	435,725	600,998	848,548	431,127	596,930	682,425	487,939	617,086	552,268	661,987
TOTAL ALL POOLS (BOTH CO'S.)	1,850,837	1,004,508	835,500	1,815,805	829,394	973,713	1,636,559	758,287	955,757	1,371,813	786,448	1,004,662	1,144,657	1,458,942

SOUTHERN UNION GATHERING COMPANYCOMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLESFOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GATHERING COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLE 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------------	-------------------------------------------------------	---------------------------------------------------------	------------------------------------------

BLANCO MESA VERDEDEHLI-TAYLOR OIL CORPORATION

FLORANCE FEDERAL #1-6	69,538	37,790	31,748
FLORANCE FEDERAL #1-19	25,115	13,832	11,283
FLORANCE FEDERAL #1-25	6,810	6,364	446
FLORANCE FEDERAL #1-40	16,308	9,560	6,748
FLORANCE FEDERAL #31	42,320	19,850	22,470
FLORANCE FEDERAL #46	24,289	14,580	9,709
FLORANCE FEDERAL #2-9	14,540	8,751	5,789
FLORANCE FEDERAL #2-10	14,949	9,272	5,677
FLORANCE FEDERAL #2-23	9,148	6,822	2,326
FLORANCE FEDERAL #2-27	8,119	5,806	2,313
FLORANCE FEDERAL #2-41	15,692	10,114	5,578
FLORANCE FEDERAL #2-44	7,378	6,033	1,345
FLORANCE FEDERAL #4-20	91,663	59,648	32,015
GIOMI #1	22,738	11,636	11,102
HOWELL #1	20,871	10,661	10,210
HOWELL #2	72,332	33,070	39,262
JANE MANSFIELD	10,530	7,858	2,672
K.F. MOORE #5	65,795	25,259	40,536
PRICHARD #1	32,464	13,498	18,966
PRICHARD #2	151,059	88,243	62,816
PRICHARD #1-3	11,415	8,738	2,677
STATE #1	7,257	6,694	563

PUBCO PETROLEUM CORPORATION

STATE #2	10,862	7,839	3,023
----------	--------	-------	-------

SOUTHERN UNION GAS COMPANY

QUINN #1	19,646	8,819	10,827
SEYMOUR #1	13,377	8,772	4,605
SEYMOUR #7	25,150	14,255	10,895

<u>TOTAL</u>	<u>809,365</u>	<u>453,764</u>	<u>355,601</u>
--------------	----------------	----------------	----------------

SOUTHERN UNION GAS COMPANYCOMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLESFOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------	-------------------------------------------------------	----------------------------------------------------------	------------------------------------------

AZTEC PICTURED CLIFFAZTEC OIL & GAS COMPANY

HAMPTON	#1	27,108	16,451	10,657
HAMPTON	#2	22,599	11,604	10,995

SOUTHERN UNION GAS COMPANY

SEXTON	#1	7,005	4,109	2,896
ZACHARY	#1	9,410	8,164	1,246

<b>TOTAL AZTEC PICTURED CLIFF</b>		<b>66,122</b>	<b>40,328</b>	<b>25,794</b>
-----------------------------------	--	---------------	---------------	---------------

BALLARD PICTURED CLIFF POOLSOUTHERN UNION GAS COMPANY

NEWSOM	#2-A	7,530	6,222	1,308
NEWSOM	#4-B	11,176	6,452	4,724

<b>TOTAL BALLARD PICTURED CLIFF POOL</b>		<b>18,706</b>	<b>12,674</b>	<b>6,032</b>
------------------------------------------	--	---------------	---------------	--------------

BLANCO MESA VERDEAZTEC OIL & GAS COMPANY

CRANDELL	#1	12,883	10,703	2,180
CULPEPPER MARTIN	#4	11,689	6,463	5,226
DAVIS	#1	9,117	7,053	2,064
DAVIS	#2	9,822	5,143	4,679
DECKER	#2	18,176	10,139	8,037
DECKER	#3	51,287	31,858	19,429
GRENIER	#5	15,564	9,436	6,128
PRIMO MUDGE	#1	12,153	9,491	2,662
RICHARDSON	#2	7,125	4,296	2,829
RICHARDSON	#4	11,889	7,743	4,146
RUPLE	#1-X	9,724	7,084	2,640
TURNER	#1	11,158	7,783	3,375
VANDERSLICE	#1	10,436	8,300	2,136

SOUTHERN UNION GAS COMPANYEXHIBIT E  
SHEET 2 OF 5COMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLESFOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------	-------------------------------------------------------	----------------------------------------------------------	------------------------------------------

BLANCO MESA VERDE CONTINUEDGAS PRODUCERS INCORPORATED

HORTON	#1	11,274	8,449	2,825
HORTON	#2	10,408	7,725	2,683
HORTON	#4	12,135	7,802	4,333

GREENBRIAR OIL COMPANY

VASALEY	#1	10,650	6,768	3,882
---------	----	--------	-------	-------

<u>TOTAL BLANCO MESA VERDE</u>		<u>235,490</u>	<u>156,236</u>	<u>79,254</u>
--------------------------------	--	----------------	----------------	---------------

FULCHER KUTZ PICTURED CLIFF POOLANGELS PEAK OIL COMPANY

ANGELS PEAK	#9-B	5,563	3,505	2,058
ANGELS PEAK	#12-B	3,804	2,422	1,382
ANGELS PEAK	#13-B	4,986	3,815	1,171
ANGELS PEAK	#14-B	3,743	2,915	828
ANGELS PEAK	#15-B	8,492	4,998	3,494
ANGELS PEAK	#16-B	6,465	3,194	3,271

AZTEC OIL & GAS COMPANY

AZTEC	#5	6,705	3,930	2,775
COOPER	#2	2,191	1,633	558
CORNELL	#7	4,190	2,987	1,203
COZZENS	#1	2,636	1,648	988
HANKS	#1	4,039	2,404	1,635
HUBBELL	#1	7,763	3,994	3,769
HUBBELL	#2	6,018	3,010	3,008
LACKEY-HUBBELL	#1	3,484	2,230	1,254
HUGHES	#1	3,870	2,985	885
KATTLER	#1	3,964	2,758	1,206
MANGUM	#2	7,892	5,563	2,329
McDANIEL	#1	3,192	2,192	1,000
McGRATH	#3	2,087	1,641	446
NEWMAN	#4	5,711	4,281	1,430
NEWMAN	#6A	2,767	1,912	855

SOUTHERN UNION GAS COMPANYEXHIBIT E  
SHEET 3 OF 5COMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLEFOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------	-------------------------------------------------------	----------------------------------------------------------	------------------------------------------

FULCHER KUTZ PICTURED CLIFF POOL CONTINUEDAZTEC OIL & GAS COMPANY CONTINUED

NEWMAN	#7A	1,533	1,198	335
REID	#2	3,770	2,793	977

CONGRESS OIL COMPANY

GARLAND	#1B	3,087	2,771	316
---------	-----	-------	-------	-----

DEHLI-TAYLOR OIL CORPORATION

COLE	#1	5,666	2,907	2,759
OMLER	#3	1,742	1,321	421
OMLER	#7	1,886	1,382	504

EL PASO NATURAL GAS COMPANY

HARGRAVES	#1	3,100	1,885	1,215
JOHNSON	#1	1,915	1,333	582
K.C. DEEP TEST	#1	2,091	1,505	586
TURNER-FEASEL	#1	2,087	1,751	336
TURNER-DEEP TEST	#1	2,156	1,741	415

KING OIL COMPANY

KUTZ GOVT.	#6	5,792	2,921	2,871
KUTZ GOVT.	#10	4,015	2,144	1,871

ROBERT L. MADDOX

HARGIS	#1	2,672	1,985	687
--------	----	-------	-------	-----

POTASH COMPANY OF AMERICA

PIPKIN	#1	2,363	1,291	1,072
--------	----	-------	-------	-------

SCOTT, SCOTT & SHEPHARD

CARROLL-CORNELL	#1	2,617	2,206	411
-----------------	----	-------	-------	-----

PAN AMERICAN PETROLEUM CORPORATION

DAY	#2-C	3,853	2,049	1,804
FEASEL	#1-A	5,609	4,039	1,570
HARGRAVES	#1-B	2,785	2,002	783
K.C. DEEP TEST	#1-C	2,072	1,588	484

SOUTHERN UNION GAS COMPANYEXHIBIT E  
SHEET 4 OF 5COMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLEFOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------	-------------------------------------------------------	----------------------------------------------------------	------------------------------------------

FULCHER KUTZ PICTURED CLIFF POOL CONTINUEDSUMMIT OIL COMPANY

SUMMIT	#4	6,871	5,278	1,593
--------	----	-------	-------	-------

THREE STATES NATURAL GAS COMPANY

DAVIDSON	#1B	3,388	2,414	974
HARGRAVES	#1C	2,642	2,173	469

TOTAL FULCHER KUTZ		173,274	114,694	58,580
--------------------	--	---------	---------	--------

SOUTH BLANCO PICTURED CLIFF POOLHUMBLE OIL COMPANY

JICARILLO	#5-J	4,778	3,053	1,725
-----------	------	-------	-------	-------

LOWRY ET AL OPER. ACC.

DOSWELL	#PC-83	5,233	3,133	2,100
DOSWELL	#PC-85	2,708	2,201	507
DOSWELL	#PC-87	3,275	2,323	952
DOSWELL	#PC-125	5,923	4,730	1,193
DOSWELL	#PC-129	4,340	2,694	1,646
DOSWELL	#PC-131	6,031	3,544	2,487
DOSWELL	#PC-177	3,451	2,177	1,274
DOSWELL	#PC-179	7,590	4,219	3,371
DOSWELL	#PC-239	9,004	4,927	4,077
DOSWELL	#PC-297	6,068	3,439	2,629

ROBERT E. MEAD

SCOTT	#1-B	3,701	2,388	1,313
-------	------	-------	-------	-------

TOTAL SOUTH BLANCO PICTURED CLIFF POOL		62,102	38,828	23,274
----------------------------------------	--	--------	--------	--------

WEST KUTZ

SOUTHERN UNION GAS COMPANY

EXHIBIT E  
SHEET 5 OF 5

COMPARATIVE STATEMENT OF PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLE

FOR PERIOD FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
-----------------------------------	-------------------------------------------------------	----------------------------------------------------------	------------------------------------------

WEST KUTZ

WESTERN DEVELOPMENT COMPANY

EDGAR	#9	7,528	4,200	3,328
EDGAR	#11	7,813	4,758	3,055
EDGAR	#12	4,130	2,301	1,829
MUDGE	#1	5,665	3,677	1,988

<u>TOTAL WEST KUTZ</u>	<u>25,136</u>	<u>14,936</u>	<u>10,200</u>
------------------------	---------------	---------------	---------------

<u>TOTAL BOTH COMPANY'S</u>	<u>1,390,195</u>	<u>831,460</u>	<u>558,735</u>
-----------------------------	------------------	----------------	----------------



S U M M A R Y

COMPARATIVE STATEMENT SOUTHERN UNION GAS & SOUTHERN UNION GATHERING CO.

PEAK MONTHLY PRODUCTION AND AVERAGE ALLOWABLES FOR PERIOD

FEBRUARY 1, 1956 THROUGH MAY 31, 1957

<u>SOUTHERN UNION GAS COMPANY</u>	<u>PEAK MONTHLY PRODUCTION 2/1/56-5/31/57</u>	<u>AVERAGE MONTHLY ALLOWABLES 2/1/56-5/31/57</u>	<u>EXCESS PRODUCING CAPACITY</u>
AZTEC PICTURED CLIFF POOL	66,122	40,328	25,794
BALLARD PICTURED CLIFF POOL	18,706	12,674	6,032
BLANCO MESA VERDE POOL	235,490	156,236	79,254
FULCHER KUTZ PICTURED CLIFF POOL	173,274	114,694	58,580
SOUTH BLANCO PICTURED CLIFF POOL	62,102	38,828	23,274
WEST KUTZ PICTURED CLIFF POOL	25,136	14,936	10,200
TOTAL SOUTHERN UNION GAS COMPANY	580,830	377,696	203,134
SOUTHERN UNION GATHERING CO.	809,365	453,764	355,601
TOTAL BOTH COMPANY'S	1,390,195	831,460	558,735

SOUTHERN UNION GATHERING COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF  
ALLOWABLES FOR UNDERPRODUCTION WILL NOT BE REQUESTED

SOUTHERN UNION GATHERING COMPANY  
BLANCO MESA VERDE POOL

AMOUNT SUBJECT  
TO CANCELLATION  
AS OF  
MAY 31, 1957

DEHLI-TAYLOR OIL CORPORATION

Florance Fed. #1-13	16,555
Florance Fed. #28	217,771
Florance Fed. #2-14	30,631
Florance Fed. #2-45	20,625
Florance Fed. #3-42	24,913
Hamner #2	17,329
Helen Jackson #2	27,311
Catherine Moore #1	33,535
Linda Nye #1	30,139
State #2	19,250
State #3	35,118

SOUTHERN UNION GAS COMPANY

Mims State #1	16,218
Quinn #2	53,253
Quinn #3	21,386
Quinn #5	14,302
Seymour #3	11,018
Seymour #5	32,365
Trigg #1	327,082

TOTAL SOUTHERN UNION GATHERING COMPANY      948,801

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF  
ALLOWABLES FOR UNDERPRODUCTION WILL NOT BE REQUESTED

<u>AZTEC PICTURED CLIFF POOL</u>		AMOUNT SUBJECT TO CANCELLATION AS OF <u>MAY 31, 1957</u>
<u>AZTEC OIL &amp; GAS COMPANY</u>		
McClanahan	#2	3,900
Reid	#3	6,811
Reid	#6	3,492
<u>SOUTHERN UNION GAS COMPANY</u>		
Calloway	#1	10,611
Haynie	#1	4,536
<u>TOTAL AZTEC PICTURED CLIFF POOL</u>		<u>29,350</u>

BALLARD PICTURED CLIFF POOL NONE

BLANCO MESA VERDE POOL

<u>AZTEC OIL &amp; GAS COMPANY</u>		
Burlington	#1	4,789
Cain	#3	12,988
Culpepper Martin	#1	20,660
Culpepper Martin	#3	12,556
Culpepper Martin	#5	17,200
Dalsant	#1	15,134
Davis	#3	13,300
Davis	#5	16,688
Davis	#6	10,171
East	#5	27,842
Grenier	#3	9,871
Harper	#1	12,679
Hillstrom	#1	18,588
Hubbard	#1	23,588
Page	#1	21,535
Page	#2	27,177
Pierce	#1	15,869
Pierce	#2	12,553
Randleman	#1	5,870
Vanderslice	#2	23,999

DEHLI-OIL CORPORATION

Hamner	#3	16,692
--------	----	--------

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF  
ALLOWABLES FOR UNDERPRODUCTION WILL NOT BE REQUESTED

<u>BLANCO MESA VERDE POOL (Continued)</u>		AMOUNT SUBJECT TO CANCELLATION AS OF <u>MAY 31, 1957</u>
<u>PUBCO DEVELOPMENT COMPANY</u>		
State	#1	12,744
<u>SOUTHERN UNION GAS COMPANY</u>		
Jicarilla	#1-F	14,768
Payne	#1	16,524
<hr/> TOTAL BLANCO MESA VERDE POOL		<hr/> 383,785 <hr/>

FULCHER KUTZ PICTURED CLIFF POOL

<u>ANGELS PEAK OIL COMPANY</u>		
Angels Peak	#8	4,888
Angels Peak	#18	6,071
<u>AZTEC OIL &amp; GAS COMPANY</u>		
Cooper	#1	13,679
Faverino	#1	2,757
Hanks	#2	4,200
Lackey-Hubbell	#2	14,603
A. D. Hudson	#1	3,022
Mangum	#3	4,420
Newman	#5-B	9,390
Walker	#2	3,777
<u>BROWN &amp; STEARNS</u>		
Brown	#1	26,321
<u>CONGRESS OIL COMPANY</u>		
Congress	#2	11,670
Congress	#3	2,971
Lachman	#2	3,845
<u>DEHLI-TAYLOR OIL COMPANY</u>		
Omler	#2	4,145
Omler	#5	2,908

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF  
ALLOWABLES FOR UNDERPRODUCTION WILL NOT BE REQUESTED

<u>FULCHER KUTZ PICTURED CLIFF POOL (Continued)</u>		AMOUNT SUBJECT TO CANCELLATION AS OF <u>MAY 31, 1957</u>
<u>EL PASO NATURAL GAS COMPANY</u>		
Galt	#1	3,472
<del>PANAMERICAN PETROLEUM CORPORATION</del>		
<del>STANGLIND OIL &amp; GAS COMPANY</del>		
Davidson	#1	2,774
Galt	#1-G	5,576
<u>SUMMIT OIL COMPANY</u>		
Summit	#1	5,572
Summit	#2	4,541
Summit	#3-B	3,454
<u>TEXAS NATURAL PETROLEUM COMPANY</u>		
Lodewick	#3	3,746
Lodewick	#5	7,563
<u>TOTAL FULCHER KUTZ PICTURED CLIFF POOL</u>		<u>155,365</u>

SOUTH BLANCO PICTURED CLIFF POOL

HUMBLE OIL COMPANY

Jicarilla	#3-J	11,733
Jicarilla	#4-J	12,015
Jicarilla	#6-J	4,377
Jicarilla	#7-J	7,160
Jicarilla	#8-J	10,152

LOWREY ET AL OPERATING ACCOUNT

McLee	#PC-49	7,556
McLee	#PC-81	4,888
Doswell	#PC-183	6,875
Doswell	#PC-185	4,545
Doswell	#PC-233	5,832
Doswell	#PC-235	6,407
McLee	#PC-281	9,128
State	#PC-295	5,123
Doswell	#PC-343	7,574
Lowrey	#PC-345	4,831
Kaine	#1	3,409

SOUTHERN UNION GAS COMPANY  
SCHEDULE OF WELLS FOR WHICH DEFERMENT OF CANCELLATION OF  
ALLOWABLES FOR UNDERPRODUCTION WILL NOT BE REQUESTED

<u>SOUTH BLANCO PICTURED CLIFF POOL (Continued)</u>		AMOUNT SUBJECT TO CANCELLATION AS OF <u>MAY 31, 1957</u>
<u>ROBERT E. MEAD</u>		
Scott	#1-A	5,289
Scott	#1-C	3,233
Scott	#1-D	10,782
<u>SOUTHERN UNION GAS COMPANY</u>		
Jicarilla	#3-K	9,626
<u>TOTAL SOUTH BLANCO PICTURED CLIFF POOL</u>		<u>140,535</u>
<u>WEST KUTZ PICTURED CLIFF POOL</u>		
<u>O. H. RANDEL</u>		
Tonkins	#1-X	2,723
Tonkins	#3	1,035
Tonkins	#4	1,731
<u>WESTERN DEVELOPMENT COMPANY</u>		
Edgar	#8	3,446
Mudge	#10-A	3,802
<u>TOTAL WEST KUTZ PICTURED CLIFF POOL</u>		<u>12,737</u>
<u>TOTAL SOUTHERN UNION GAS COMPANY</u>		<u>721,772</u>

S U M M A R Y

WELLS FOR WHICH DEFERMENT OF CANCELLATION OF ALLOWABLES FOR  
UNDERPRODUCTION WILL NOT BE REQUESTED BY SOUTHERN UNION GAS  
AND SOUTHERN UNION GATHERING COMPANY

---

	AMOUNT SUBJECT TO CANCELLATION AS OF <u>MAY 31, 1957</u>
<u>SOUTHERN UNION GAS COMPANY</u>	
AZTEC PICTURED CLIFF POOL	29,350
BLANCO MESA VERDE POOL	383,785
FULCHER KUTZ PICTURED CLIFF POOL	155,365
SOUTH BLANCO PICTURED CLIFF POOL	140,535
WEST KUTZ PICTURED CLIFF POOL	12,737
<hr/> TOTAL SOUTHERN UNION GAS COMPANY	<hr/> 721,772
SOUTHERN UNION GATHERING COMPANY	948,801
<hr/> TOTAL BOTH COMPANY'S	<hr/> 1,670,573