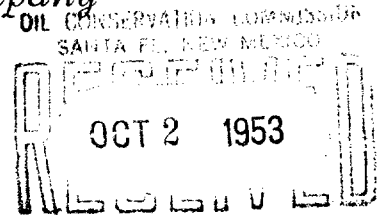


# El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

*El Paso, Texas*

September 28, 1953



Director  
United States Geological Survey  
Department of the Interior  
Washington, D. C.

Commissioner of Public Lands of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Oil Conservation Commission of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 27-4 Unit Area  
No. 14-08-001-1054  
Rio Arriba County, New Mexico  
NOTICE OF DISCOVERY  
Mesaverde Formation

Gentlemen:

Pursuant to Section 11, paragraph 2, of the above numbered unit agreement you are hereby informed of the discovery of unitized substances in paying quantities from the Mesaverde Formation on lands committed to said unit agreement. This unit agreement was approved on September 3, 1953.

There is one (1) committed well completed in the Mesaverde Formation upon acreage within the unit area of the above numbered unit agreement. This well is El Paso Natural Gas Company's San Juan 27-4 #1 Well located 1650' North of the South line and 990' East of the West line of Section 1, Township 27 North, Range 4 West, N.M.P.M. This well was spudded on July 31, 1953, reached a total depth of 6353' and was completed on September 16, 1953. The pay section between 5873' and 6353' was shot with 1470 quarts of nitroglycerine. On September 24, 1953, the well was gauged at 1450 MCFGPD on a three-hour open blow test with an SIPC of 1296# and an SIPT of 1291#.

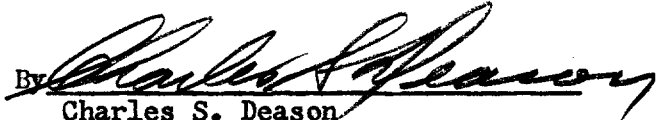
The drilling block upon which this well is located is the W/2 (Lots 3, 4, S/2 NW/4, SW/4) of Section 1, Township 27 North, Range 4 West, and consists of 319.91 acres. This drilling block is fully committed to the unit agreement

September 28, 1953

and pursuant to the above mentioned Section 11 of the unit agreement it is determined by El Paso Natural Gas Company, Unit Operator, that this well is capable of producing unitized substances in paying quantities.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By   
Charles S. Deason  
Lease Department

CSD:jaf

cc: Attached List

Re: 27-4 Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Mr. W. H. Sparks  
General American Oil Company  
1404 Republic Bank Building  
Dallas, Texas

Mr. H. K. Greenleaf  
The Chicago Corporation  
2101 Continental Life Building  
Fort Worth, Texas

Mr. Mike Abraham  
814 Mercantile Bank Building  
Dallas, Texas

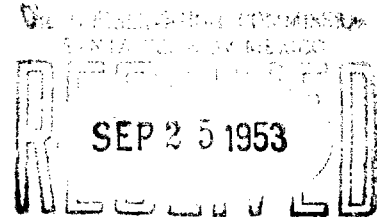
Mr. M. A. Romero  
P. O. Box 2011  
Santa Fe, New Mexico

# El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

*El Paso, Texas*

September 22, 1953



Commissioner of Public Lands of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Oil Conservation Commission of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico


Re: San Juan 27-4 Unit Agreement  
No. 14-08-001-1054

Gentlemen:

Enclosed, for your files, is a copy of the letter of transmittal  
by which the Director of the United States Geological Survey sent us the  
approved copies of the above numbered Unit Agreement.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By   
Charles S. Deason  
Lease Department

CSD:jaf  
encl.  
cc: Attached List



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
WASHINGTON 25, D. C.

IN REPLY REFER TO:

PLEASE RETURN TO  
LEASE DEPARTMENT

SEP 9 1953

El Paso Natural Gas Company  
Tenth Floor Bassett Tower  
El Paso, Texas

Gentlemen:

On September 3, 1953, Acting Director of the Geological Survey, Thomas B. Nolan, approved the San Juan 27-4 unit agreement, Rio Arriba County, New Mexico, filed by your company as unit operator. This agreement has been designated No. 14-08-001-1054, and is effective as of the date of approval.

Enclosed are two copies of the approved unit agreement for your records. It is requested that you furnish all interested principals with whatever evidence of this approval is deemed appropriate.

Although no interest in tracts 13, 14, and 15 are committed to the unit agreement, approval was predicated on the premise that the unit operator has sufficient control in the drilling blocks involved to accomplish the normal drilling and producing performances at the proper time, even though it may be necessary to formulate communitization agreements in conformance with field spacing and allowable programs or to drill pursuant to approved exceptions to the spacing and allowable orders even on a reduced allowable basis, if necessary, in the event commitment of the land can not be secured.

Very truly yours,

For the Director

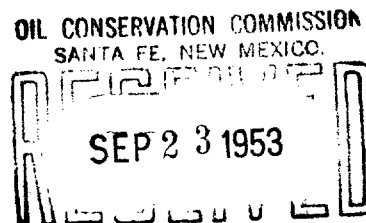
Enclosures 2

# El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

*El Paso, Texas*

September 21, 1953



Commissioner of Public Lands of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Oil Conservation Commission of  
the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

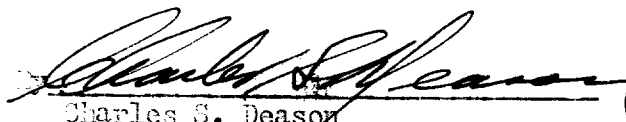
Re: San Juan 27-4 Unit  
No. 14-08-001-1054

Gentlemen:

Enclosed, for your files, is a fully executed copy of the above numbered Unit Agreement and Unit Operating Agreement. These have both been mailed to the County Clerk and Recorder, Rio Arriba County, New Mexico, to be placed of record there. A copy of each instrument is being mailed to General American Oil Company, The Chicago Corporation, Mr. Mike Abraham and Mr. M. A. Romero, the Working Interest Owners affected.

Yours very truly,

EL PASO NATURAL GAS COMPANY

  
Charles S. Deason  
Lease Department

CSJ:jaf  
encls. - 2

June 30, 1953

C  
O  
P  
Y

El Paso Natural Gas Company  
Tenth Floor Bassett Tower  
El Paso, Texas

Attention: Mr. Foster Morrell

Re: San Juan 27-4 Unit Agreement  
Rio Arriba County, New Mexico

Gentlemen:

This is to state that I have examined the proposed Unit Agreement mentioned in the caption hereof and find that it is similar to Unit Agreements heretofore approved by this office.

I approve same as to form but will withhold formal approval until after a hearing before the Oil Conservation Commission of which I am ex-officio a member. Should the testimony offered in support of the Unit warrant its approval and the Oil Commission so decides I will immediately thereafter issue a formal Certificate of Approval.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

cc: U. S. Geological Survey  
Roswell, New Mexico (3)  
Oil Conservation Commission ✓  
Santa Fe, New Mexico (1)

**FOSTER MORRELL**

PETROLEUM CONSULTANT

NICKSON HOTEL BUILDING

ROSWELL, NEW MEXICO

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

JUN 8 - 1953

June 6, 1953

Mr. R. R. Spurrier,  
Secretary - Director,  
Oil Conservation Commission of New Mexico  
Santa Fe, New Mexico.

Dear Mr. Spurrier:

Enclosed are Applications of El Paso Natural Gas Company, dated June 6, 1953, in triplicate, for approval of the San Juan 27-4, San Juan 28-4, San Juan 28-5 and San Juan 29-4 Unit Agreements covering lands situated in Rio Arriba County, New Mexico.

Also enclosed are copies of the proposed Unit Agreements and Exhibits thereto. In this connection we wish to advise that the Exhibits as submitted are subject to correction on receipt of information from some working interest owners as to the present status of their interests.

It is my understanding that your office has agreed to the hearing of these Applications on June 30, 1953, unless an earlier date is more convenient to you. If you will kindly confirm the date of hearing, we will greatly appreciate the courtesy.

Very truly yours,

*Foster Morrell*  
Foster Morrell

Encl.

cc: R. L. Hamblin  
El Paso Natural Gas Co.