

NEW MEXICO  
OIL CONSERVATION COMMISSION  
AZTEC, NEW MEXICO

January 26, 1956

Pubco Development, Inc.  
Box 1419  
Albuquerque, New Mexico

Att: Mr. Frank Forham

Dear Sir:

Reference is made to gas well plats submitted by you covering your #1 Federal well in the NE 1/4 Section 1-29N-11W. This well is in the Aztec Pictured Cliffs pool and is therefore governed insofar as proration is concerned, by Order R-565-C. Rule 6 of this order sets out the requirements for a standard gas proration unit and states that a standard proration unit will consist of 128 to 162 acres. Your unit is therefore non-standard. You may secure administrative approval from Mr. W.B. Macey by proceeding according to Rule 6, Section B.

Although this is on Federal land and is therefore out of our jurisdiction so far as well name is concerned, I would suggest that you use the original lessee for the lease designation in order to avoid confusion if should drill a great number of wells on Federal land.

Yours very truly,

Emery C. Arnold  
Supervisor, District #3

ECA:ks

cc: Mr. W.B. Macey  
OCC, Santa Fe, N.M.