MWU # 5 Auc 3/6/58

MAIN OFFICE OCC

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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ac: OCC

IN THE MATTER OF THE APPLICATION OF ANGELS PEAK OIL COMPANY FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION TO RULE 6(A) OF THE SPECIAL RULES AND REGULATIONS FOR THE FULCHER KUTZ-PICTURED CLIFFS GAS POOL IN ESTABLISH-MENT OF A NON-STANDARD GAS PRORATION UNIT OF 127.48 CONTIGUOUS ACRES CON-SISTING OF THE $W^{\frac{1}{2}}$ OF SECTION 12, TOWN-SHIP 28 NORTH, RANGE 11 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

CASE NO.

Comes now Angels Peak Oil Company (herein referred to as "Applicant") a New Mexico corporation with its principal place of business in the Burt Building, Dallas 1, Texas, and files this its application for an order of the Commission granting approval of an exception to Rule 6(A) of the Special Rules and Regulations for the Fulcher Kutz-Pictured Cliffs Gas Pool, promulgated by the Commission in its Order No. R-565, in establishment of the non-standard gas proration unit described hereinbelow, and in support thereof Applicant respectfully states and shows the following:

(1) The non-standard gas proration unit for which approval is sought herein contains 127.48 contiguous surface acres substantially in the form of a rectangle and consists of the $W^{\frac{1}{2}}_{\frac{1}{2}}$ of Section 12, Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.

(2) The non-standard size of the tract is due to a variation in legal subdivision of the U.S. Public Land Surveys.

(3) The well for which it is requested that the above-described acreage be the gas proration unit is the Angels Peak #18, which well is located in the $SW_4^1SW_4^1$ of the aforesaid Section 12.

(4) In the opinion of Applicant, the entire non-standard gas proration unit referred to herein may reasonably be presumed to be productive of gas from the Pictured Cliffs formation.

(5) Neither the length nor the width of the unit herein proposed exceeds 2640 feet.

3.63

(6) In the opinion of Applicant, the well presently located on the proposed unit is capable of efficiently and economically draining the entire area of said unit.

(7) Attached hereto is waiver and consent to the proposed non-standard gas proration unit executed under even date herewith by Congress Oil Company, one of the operators owning interests in the acreage offsetting the proposed unit.

(8) So far as is known to Applicant, Aztec Oil & Gas Company is the only operator other than Congress Oil Company and Applicant owning an interest in any of the acreage offsetting the proposed unit. Attached hereto is a true and complete copy of a letter mailed today under registered cover to said Aztec Oil & Gas Company.

WHEREFORE, premises considered, Applicant prays that the Commission issue an order to Applicant granting approval of the non-standard gas proration unit herein proposed.

Respectfully submitted, OIL COMPANY ANGELS PEA

THE STATE OF TEXAS) COUNTY OF DALLAS)

Scott Hughes, being first duly sworn, hereby states that he is President of Angels Peak Oil Company, the Applicant in the foregoing application; that as such officer he has executed said application on behalf of Angels Peak Oil Company; that he has read said application and, to the best of his knowledge, information and belief, all statements of fact therein contained are true and correct.

SWORN TO AND SUBSCRIBED before me, the undersigned authority, this

Notary Public in4

Dallas County, Texas

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CONSENT TO NON-STANDARD GAS PRORATION UNIT

Congress Oil Company, a Colorado corporation, hereby expresses its consent to the establishment by Angels Peak Oil Company of a non-standard gas proration unit containing 127.48 acres and consisting of the W_2^1 of Section 12, Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.

IN WITNESS WHEREOF, this Consent is executed by Congress Oil Company on this the <u>11 th</u> day of February, 1955.

CONGRESS OIL COMPANY

By L C Re Vice Preside

ANGELS PEAK OIL COMPANY CONGRESS OIL COMPANY SUMMIT OIL COMPANY

BURT BUILDING DALLAS 1, TEXAS

Pebruary 11, 1955

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

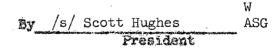
Gentlomen:

This is to advise you that Angels Peak Oil Company is this day mailing for filing with the New Mexico Oil Conservation Consission an application for an order of the Commission granting approval of an exception to Rule 6(A) of the Special Rules and Regulations for the Fulcher Kutz-Pictured Cliffs Gas Poal promulgated by the Commission in its Order No. R-565, in establishment of a non-standard gas promation unit of 127.48 contiguous acres consisting of the We of Section 12, Township 28 North, Range 11 West, N.M.P.M., San Juan County, New Mexico. We give you this advice since, according to our records, you own an interest in certain acreage offsetting the unit proposed.

If you have no objection to establishment of the above-described non-standard unit, we will appreciate your so advising us by return mail. If, on the other hand, you wish to object to such unit you should give written notice to that effect to the Commission within 20 days after the date of this letter.

Very truly yours,

ANGELS FEAK OIL COMPANY



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Via Registered Mail