Mill-49 due 5-17-55

MAIN OFFICE OCC 920 MERCANTILE SECURITIES BUILDING Dallas 1, Texas

QUILMAN (B. DAVIS) SECRETARY AND GENERAL ATTORNEY 10 11 9:13

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

> > Re: Application for Exception to Rule 6(a) of Order R-565, as amended, for Establishment of a Non-Standard Gas Proration Unit, Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, N. M.

Gentlemen:

Aztec Oil & Gas Company hereby submits its application for administrative approval of a non-standard gas proration unit comprising the $S_2^1 N E_4^1$ and $N_2^1 S E_4^1$ of Section 13, Township 29 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, and in support thereof respectfully states and shows the following:

1. That the Aztec-Reid No. 2 Well, located 1760 feet from the North line and 440 feet from the East line of Section 13, Township 29 North, Range 12 West, was completed August 10, 1941 as a gas well and connected to Southern Union Gas Company's pipeline on October 24, 1941.

2. That the proposed non-standard gas proration unit consists of 160 carres which are contiguous quarter-quarter sections.

3. That the proposed non-standard gas proration unit lies wholly within a single governmental section.

4. That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.

5. That so far as is known to Applicant, the following company constitutes the only operator, other than Applicant, owning an interest in any of the acreage included in or offsetting the proposed unit, and such company is being notified by registered mail of this proposed non-standard gas proration unit by the mailing of a copy of this application to it:

> Scott, Scott & Sheppard 1706 Welton Street Denver 2, Colorado

Oil Conservation Commission

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Therefore, Aztec Oil & Gas Company respectfully requests that under the provisions of Rule 6(b) of Order No. R-565, as amended, the Secretary of the Commission grant an exception to Rule 6(a), without notice and hearing, approving the non-standard gas provation unit hereinabove requested.

Respectfully submitted,

AZTEC OIL & GAS COMPANY

STATE OF TEXAS) COUNTY OF DALLAS)

Quilman B. Davis, being first duly sworn, hereby states that he is Attorney for Aztec Oil & Gas Company, the Applicant in the foregoing application; that he has executed said application on behalf of Aztec Oil & Gas 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; and that a copy of this application was duly deposited on April /5, 1955, in the United States post office as registered mail, with all charges prepaid, addressed to the parties listed in paragraph 5 of this application.

Sworn to and subscribed before me, the undersigned authority, this 15 day of April, 1955.

Notary Public in and for

Dallas County, Texas

My Commission Expires:

June 1, 1955

