OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE. NEW MEXICO

April 27, 1956

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

Attention: Mr. Quilman B. Davis

Administrative Order NWU-175

Gentlemen:

Reference is made to your application for approval of a 178.84-acre non-standard gas proration unit in the Fulcher Kutz-Pictured Cliffs Gas Pool consisting of the following acreage:

Township 27 North, Range 9 West, NMPM Lots 8, 9, 14 and 15 of Section 6

It is understood that this unit is to be ascribed to your Hanks Well No. 7, located 1125 feet from the North line and 2450 feet from the East line and in the NW/4 NE/4 of Section 6, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

Inasmuch as you enclosed a waiver from the offset operator agreeing to the formation of the proposed unit, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 6, Section (b)-5 of the Special Rules and Regulations of the Fulcher Kutz-Pictured Cliffs Gas Pool, as set forth in Order R-565-C, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 178.84 acres.

Very truly yours,

A. L. Porter, Jr.
Acting Secretary-Director

ALP:jh

cc: Oil Conservation Commission, Aztec U. S. Geological Survey, Farmington