

cc: OCC - A2-ec
2/15/55

NWU #2
rec: 2/11/55
due: 3/1/55

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
SOUTHERN UNION GAS COMPANY FOR AN)
ORDER GRANTING APPROVAL OF AN EX-)
CEPTION TO RULE 1(A) OF THE SPECIAL)
RULES AND REGULATIONS FOR THE BLANCO-)
MESAVERDE GAS POOL IN ESTABLISHMENT)
OF A NON-STANDARD GAS PRORATION UNIT)
OF 335.75 CONTIGUOUS ACRES CONSISTING)
OF SECTION 7, TOWNSHIP 32 NORTH,)
RANGE 10 WEST, N.M.P.M., SAN JUAN)
COUNTY, NEW MEXICO.)

CASE NO. _____

Comes now, Southern Union Gas Company (herein referred to as "Applicant"), a Delaware corporation with its principal place of business in the Burt Building, Dallas 1, Texas, and files this its application for an exception to Rule 1(a) of the special rules and regulations for the Blanco-Mesaverde Gas Pool, promulgated by the Commission in its Order No. R-128-C, 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 335.75 contiguous surface acres substantially in the form of a rectangle and consists of all of partial Section 7, Township 32 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

(2) Said proposed unit consists of contiguous quarter-quarter sections and lots, and lies wholly within said Section 7.

(3) In the opinion of Applicant, the entire non-standard gas proration unit proposed herein may reasonably be presumed to be productive of gas from the Mesaverde Formation.

(4) The well for which it is requested that the above-described acreage be the gas proration unit is the Southern Union-Page #2, which well is located in Lot 5 of the aforesaid Section 7.

(5) In the opinion of Applicant it is not economically feasible to drill more than one well on the lands allocated to the proposed unit, and the well presently located thereon is capable of efficiently and economically draining the entire area of said unit.

(6) So far as is known to Applicant, Aztec Oil & Gas Company, El Paso Natural Gas Company, Phillips Drilling Corporation and Pubco Development, Inc., constitute all the operators other than Applicant owning an interest in any of the acreage offsetting the proposed unit. Attached hereto are true and complete copies of letters mailed today under registered cover to each of said other operators.

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,

SOUTHERN UNION GAS COMPANY

By J. C. Reid
Vice President

THE STATE OF TEXAS)
COUNTY OF DALLAS)

J. C. Reid, being first duly sworn, hereby states that he is Vice President of Southern Union Gas Company, the applicant in the foregoing application; that as such officer he has executed said application on behalf of Southern Union 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.

J. C. Reid
J. C. Reid

SWORN TO AND SUBSCRIBED before me, the undersigned authority, this 9th day of February, 1955.

Faye Griffin
Notary Public in and for
Dallas County, Texas

SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

February 9, 1955

Pubco Development, Inc.
P. O. Box 1360
Albuquerque, New Mexico

Gentlemen:

This is to advise you that Southern Union Gas Company is this day mailing for filing with the New Mexico Oil Conservation Commission an application for an order of the Commission granting approval of an exception to Rule 1(a) of the special rules and regulations for the Blanco-Mesaverde Gas Pool promulgated by the Commission in its Order No. R-128-C, in establishment of a non-standard gas proration unit of 335.75 contiguous acres consisting of all of Section 7, Township 32 North, Range 10 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 thirty days after the date of this letter.

Very truly yours,

SOUTHERN UNION GAS COMPANY

By /s/ J. C. Reid
Vice President

Via Registered Mail

SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

February 9, 1955

Aztec Oil & Gas Company
920 Mercantile Securities Bldg.
Dallas, Texas

Gentlemen:

This is to advise you that Southern Union Gas Company is this day mailing for filing with the New Mexico Oil Conservation Commission an application for an order of the Commission granting approval of an exception to Rule 1(a) of the special rules and regulations for the Blanco-Mesaverde Gas Pool promulgated by the Commission in its Order No. R-128-C, in establishment of a non-standard gas proration unit of 335.75 contiguous acres consisting of all of Section 7, Township 32 North, Range 10 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.

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Very truly yours,

SOUTHERN UNION GAS COMPANY

By /s/ J. C. Reid
Vice President

Via Registered Mail

SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

February 9, 1955

Phillips Drilling Corporation
306 Milam Building
San Antonio, Texas

Gentlemen:

This is to advise you that Southern Union Gas Company is this day mailing for filing with the New Mexico Oil Conservation Commission an application for an order of the Commission granting approval of an exception to Rule 1(a) of the special rules and regulations for the Blanco-Mesaverde Gas Pool promulgated by the Commission in its Order No. R-128-C, in establishment of a non-standard gas proration unit of 335.75 contiguous acres consisting of all of Section 7, Township 32 North, Range 10 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.

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Very truly yours,

SOUTHERN UNION GAS COMPANY

By /s/ J. C. Reid
Vice President

Via Registered Mail

SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

February 9, 1955

El Paso Natural Gas Company
Bassett Tower
El Paso, Texas

Gentlemen:

This is to advise you that Southern Union Gas Company is this day mailing for filing with the New Mexico Oil Conservation Commission an application for an order of the Commission granting approval of an exception to Rule 1(a) of the special rules and regulations for the Blanco-Mesaverde Gas Pool promulgated by the Commission in its Order No. R-128-C, in establishment of a non-standard gas proration unit of 335.75 contiguous acres consisting of all of Section 7, Township 32 North, Range 10 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.

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Very truly yours,

SOUTHERN UNION GAS COMPANY

By /s/ J. C. Reid
Vice President

Via Registered Mail