CC: OCC- Oztic 2/15/56

NWU#6 due 3/6/55

BEFORE THE OIL CONSERVATION COMMISSION MAIN OFFICE OCC OF THE STATE OF NEW MEXICO 1955 FEB 14 AM 3:53

IN THE MATTER OF THE APPLICATION OF SUMMIT 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 ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES CONSISTING OF THE $N_{\frac{1}{2}}$ OF THE STANDARD COUNTING OF THE NORTH OF 11 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

CASE NO.

Comes now Summit 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 160 contiguous surface acres substantially in the form of a rectangle and consists of the $N^{\frac{1}{2}}$ of the $S^{\frac{1}{2}}$ of Section 20, Township 29 North, Range 11 West, N.M.P.M., San Juan County, New Mexico.
- (2) The well for which it is requested that the above-described acreage be the gas proration unit is the Summit-Viles #3-B, which well is located in the $NW_{\overline{4}}^{1}$ of the $SE_{\overline{4}}^{1}$ of the aforesaid Section 20.
- (3) 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.
- (4) 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.
- (5) So far as is known to Applicant, Aztec Oil & Gas Company owns the working interest in all the acreage offsetting

160

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, after such hearing and upon such notice as the Commission may direct, issue an order to Applicant granting approval of the non-standard gas proration unit herein proposed.

Respectfully submitted,

SUMMIT OIL COMPANY

President

THE STATE OF TEXAS)
COUNTY OF DALLAS)

Scott Hughes, being first duly sworn, hereby states that he is President of Summit Oil Company, the Applicant in the foregoing application; that as such officer he has executed said application on behalf of Summit 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.

Scott Hughes

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

//- day of February, 1955.

Notary Public in and f Dallas County, Texas

2

ANGELS PEAK OIL COMPANY CONGRESS OIL COMPANY SUMMIT OIL COMPANY

BURT BUILDING
DALLAS 1, TEXAS

February 11, 1955

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

Gentlemen:

This is to advise you that Summit Oil Company is this day mailing for filing with the New Mexico Oil Conservation Commission an application for an erder of the Commission granting approval of an exception to Rule 6(A) of the Special Rules and Regulations for the Fulcher Rutz-Pictured Cliffs Gas Pool promulgated by the Commission in its Order No. R-565, in establishment of a non-etandard gas proration unit of 160 contiguous acres consisting of the N252 of Section 20, Township 29 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,

SUMMIT OIL COMPANY

By /s/ Scott Hughes President

SH: G

Via Registered Mail