



November 28, 1955

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

Re: Astec Oil and Gas Well No. E-20  
Lea County Communitization

Attention: Mr. H. L. Snider, Jr.  
Land and Lease Department

Gentlemen:

We are enclosing four copies of the above designated communitization. You did not give us a well number, but we assume after checking well completions that this pooling agreement was formed to cover Well No. E-20, which was completed as a gas well July 20, 1955. If we are in error on this designation, please advise us immediately.

This agreement was approved November 28, 1955, subject to like approval by the Oil Conservation Commission.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

enc: 4  
cc: OOC-Santa Fe  
MMR/m

J. DON HUDGENS, INC.

BOX 1898

HOBBS, NEW MEXICO

300 WEST TAYLOR

TELEPHONE: 2-3144

November 25, 1955

NSP-2A

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

Re: Your Application for Exception to  
Rule 5(a) of Order R-520, as  
Amended, for Establishment of a  
Non-Standard Gas Proration Unit,  
Eumont Gas Pool, Lea County, N.M.

Gentlemen:

We hereby consent to the formation of a non-standard gas proration unit covering the Southwest Quarter (SW $\frac{1}{4}$ ) Section 20, Township 20 South, Range 36 East, as proposed in your letter of November 14, 1955, to the Oil Conservation Commission.

You may consider this letter a waiver to notice and hearing on the application.

Yours very truly,

J. DON HUDGENS, INC.

By 

J. Don Hudgens, President

JDH:1

CC: Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

WWM 11/18/55  
NSP-215

November 18, 1955

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

Re: State E-20 No. 1 Well  
Sec. 20-208-36E SW/4

Attention: Guilman B. Davis  
General Attorney

Gentlemen:

We note you have applied for a Non-Standard Gas Proration Unit, Eumont Gas Pool, Lea County, New Mexico, covering the SW/4 of Sec. 20-208-36E. We would call to your attention that you have failed to mention the fact that the SW/4 SW/4 of Sec. 20-208-36E is in State Lease E-3111-6 and Texas Gulf Producing Company is the recorded lessee.

We would advise you to obtain written consent from Texas Gulf Producing Company for establishment of this Gas Proration Unit and we would also like to be informed immediately as to what steps have been taken to communitize these State Leases.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

cc: OGC-Santa Fe  
TGPC

MRG:m

AZTEC OIL & GAS COMPANY  
920 MERCANTILE SECURITIES BUILDING  
DALLAS 1, TEXAS

NSP-215

November 21, 1955

Mr. E. S. Walker  
Commissioner of Public Lands  
State Land Office  
Santa Fe, New Mexico

Re: State E-20 No. 1 Well  
Sec. 20-20S-36E SW/4

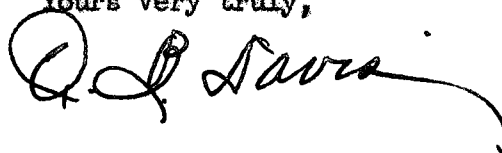
Dear Johnny:

Reference is made to your letter of November 18 concerning our application for a non-standard gas proration unit covering the SW $\frac{1}{4}$  of Section 20, Township 20 South, Range 36 East, in the Eumont Gas Pool of Lea County, New Mexico.

We obtained an assignment from Texas Gulf Producing Company of the gas rights under the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 20, which assignment was forwarded to your office on November 8 for filing in the Miscellaneous Records. In addition, we prepared and have just completed an agreement for the purpose of pooling working interests, royalty, and overriding royalty interests in the SW $\frac{1}{4}$  of Section 20. This agreement will be forwarded immediately to your office for approval.

With thanks and best personal regards, I am

Yours very truly,



QED:NL

cc - Mr. W. B. Macey  
Oil Conservation Comm.

OC, OCC, -Havle  
11/18/55

**AZTEC OIL & GAS COMPANY**

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

November 14, 1955

NSP-215

Am 12/18/55

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

Re: Application for Exception to  
Rule 5(a) of Order R-520, as  
Amended, for Establishment of  
a Non-Standard Gas Proration  
Unit, Eumont Gas Pool, Lea  
County, New Mexico

all  
Comments  
Short

Gentlemen:

Aztec Oil & Gas Company (hereinafter referred to as "Applicant") hereby  
submits its application for administrative approval of a non-standard gas  
proration unit comprising the SW $\frac{1}{4}$  of Section 20, Township 20 South, Range 36  
East, N.M.P.M., Lea County, New Mexico, as reflected on the plat attached  
hereto.

Need Communication  
w/  
Texas Govt  
& State

In support of this application, Applicant respectfully states and shows  
the following:

1. Applicant's State E-20 No. 1 Well, located 660 feet from the south  
line and 1980 feet from the west line of Section 20, Township 20 South,  
Range 36 East, N.M.P.M., Lea County, New Mexico, was completed as a commercial  
gas well on July 25, 1955 and will be connected very soon to Southern Union  
Gas Company's pipeline system.
2. The proposed non-standard gas proration unit consists of 160 acres,  
more or less, which are contiguous quarter quarter sections.
3. In the opinion of Applicant, the entire non-standard gas proration  
unit requested herein may reasonably be presumed to be productive of gas from  
a section of the Seven Rivers formation in the Eumont Gas Pool.
4. Applicant owns an undivided  $\frac{7}{8}$ ths of the working interest in the  
proposed non-standard gas proration unit and Mr. J. R. Hughes is the owner  
of the remaining undivided  $\frac{1}{8}$ ths working interest. Aztec and Hughes have  
agreed to a pooling of their respective interests in the proposed unit.
5. The length or width of the proposed non-standard gas proration unit  
does not exceed 5,280 feet.



November 14, 1955

6. Unless the non-standard gas proration unit, as requested herein, is approved by the Commission, Applicant will be deprived of the opportunity to recover its just and equitable share of the gas from the reservoir.

7. So far as is known to Applicant, the following constitute the only parties other than Applicant owning an interest in lands offsetting the proposed non-standard unit and such parties are being notified by registered mail of the proposed non-standard proration unit by the mailing of a copy of this application to them:

Charles P. Miller  
905 N. Dalmont  
Hobbs, New Mexico

J. Don Hudgens, Inc.  
Box 1898  
Hobbs, New Mexico

Two States Oil Company  
528 Wilson Building  
Dallas, Texas

J. R. Hughes  
Western Hills Hotel  
Fort Worth, Texas

Therefore, Applicant respectfully requests the Director of the Commission grant an exception to Rule 5(a) in accordance with the provisions of Rule 5(b) of Order R-520, as amended, approving the non-standard gas proration unit hereinabove requested.

Respectfully submitted,

AZTEC OIL & GAS COMPANY

By

Quilman B. Davis  
General Attorney

STATE OF TEXAS }  
COUNTY OF DALLAS }

Quilman B. Davis, being first duly sworn, hereby states that he is General Attorney of 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 November 14, 1955 in the United States post office as registered mail, with all charges prepaid, addressed to the parties listed in paragraph 7 of this application.

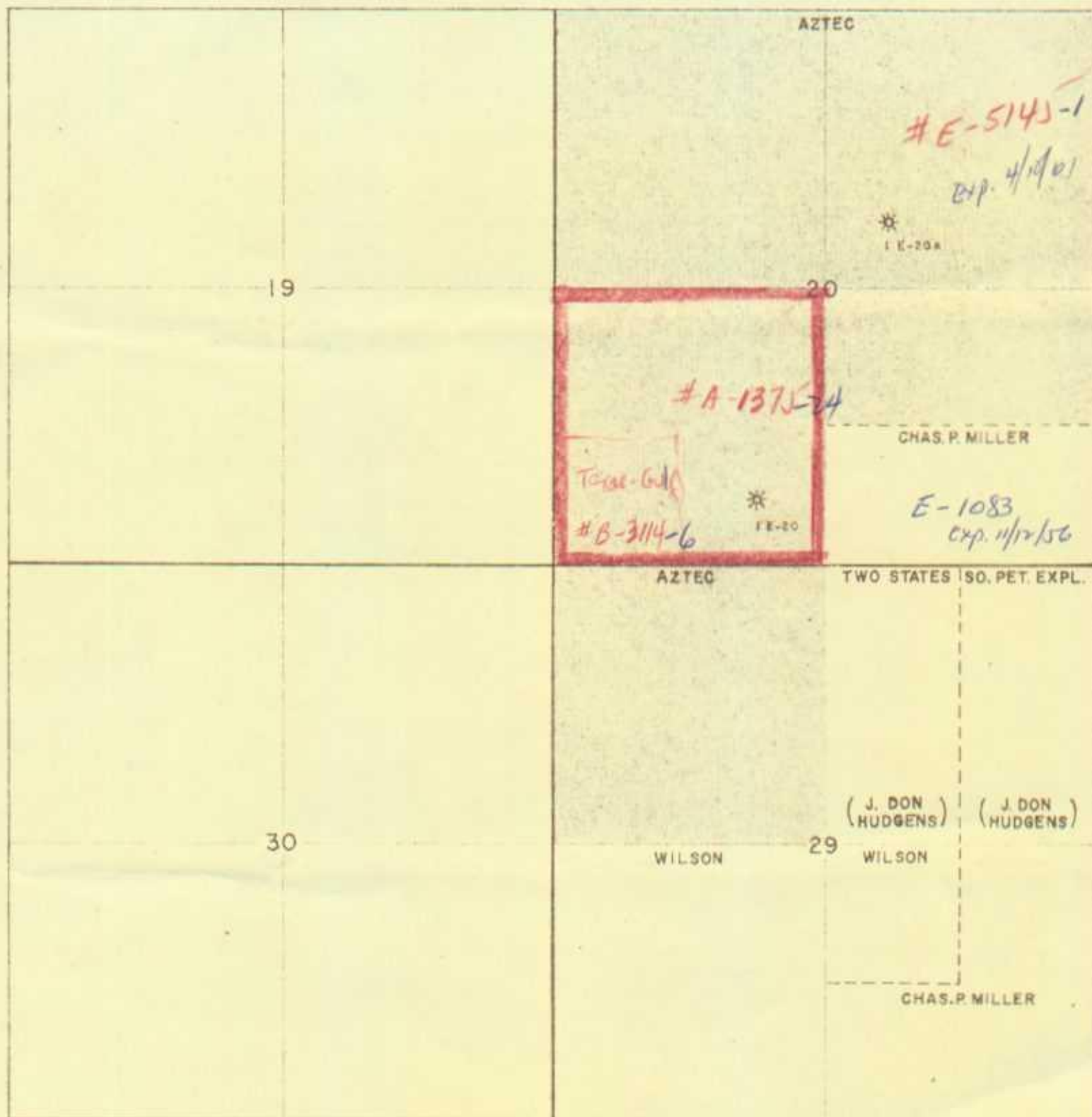
Quilman B. Davis  
Quilman B. Davis

Sworn to and subscribed before me, the undersigned authority, this 14th day of November, 1955.

My Commission Expires:  
June 1, 1957

Naomi D. Langran  
Notary Public in and for  
Dallas County, Texas

SECTION 19, 20, 29, 30 TOWNSHIP T-20-S RANGE R-36-E COUNTY LEA. STATE N.M.



AZTEC OIL & GAS COMPANY  
EXHIBIT "A"