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Robert L. Maddox

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DIAL FE 4-6385

April 6, 1955

Oil Conservation Commission State of New Mexico P. 0. Box 871 Santa Fe, New Mexico

Gentlemen:

The M. S. B. W. Company, through its representative Robert L. Maddox, hereby submits application for a hearing to consider the establishment of a non-standard gas proration unit for its No. 2 Hargis well, located in the Fulcher-Kutz Pictured Cliffs Pool, consisting of the Southeast Quarter of the Northwest Quarter (SELNWL) and the Northeast Quarter of the Southwest Quarter (NELSWL) and the Northwest Quarter of the Southeast Quarter (NWLSEL) and the Southeast Half of the Northeast Quarter of the Northwest Quarter (SEZNEZNWZ), more particularly described as follows:

> BEGINNING at the Northeast corner of the Northeast Quarter of the Northwest Quarter (NELNW4) THENCE South to the Southeast corner of said fortyacre tract, THENCE West to the Southwest corner; THENCE diagonal in direct line to the Northeast corner to place of beginning. The above-described lands being 140 acres more or less. All in Section 33, Township 30 North, Range 12 West, N.M.P.M., San Juan County, New Mexico.

The applicant hereby states that the M. S. B. W. Company No. 2 Hargis well was drilled 2310 feet North of the South line and 2170 feet West of the East line of said Section 33, Township 30 North, Range 12 West, N.M.P.M., and was completed August 20, 1946 and connected to the Southern Union Gas Company pipe line in September, 1946. At that time spacing requirements in the Fulcher-Kutz Pictured Cliffs Pool specified a minimum of 40 acres to a drilling tract. Subsequent Order R-565 Rule 6 (a) requires that 160 acres in the form of a square (being a quarter section) be designated as the proration unit for each Pictured Cliffs Formation well in the Fulcher-Kutz Pool.

Applicant hereby requests hearing to secure exception to the above-named rule.

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It is the applicant's desire that this hearing be set for the regular scheduled hearing of May 18, 1955.

Respectfully submitted,

M. S. B. W. Company

By R. L. Maddox, Operator

RLM/1b