

cc: OCC - Aztec
2/15/55

NWU #1
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 CONGRESS)
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 163.96)
CONTIGUOUS ACRES CONSISTING OF THE NW $\frac{1}{4}$ OF)
SECTION 18, TOWNSHIP 28 NORTH, RANGE 10 WEST,)
N.M.P.M., SAN JUAN COUNTY, NEW MEXICO)

CASE NO. _____

Comes now Congress Oil Company (herein referred to as "Applicant") a Colorado 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:

80.00
41.96
42.00
163.96

(1) The non-standard gas proration unit for which approval is sought herein contains 163.96 contiguous surface acres substantially in the form of a square and consists of the NW $\frac{1}{4}$ of Section 18, Township 28 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

(2) The non-standard size of the tract is due to a variation in legal subdivision of the U. S. Public Land Surveys.

(3) The well for which it is requested that the above-described acreage be the gas proration unit is the Congress-Lachman #2, which well is located in Lot 2 of the aforesaid Section 18.

(4) 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.

(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) Attached hereto is waiver and consent to the proposed non-standard gas proration unit executed under even date herewith by Angels Peak Oil Company, one of the operators owning interests in the acreage offsetting the proposed unit.

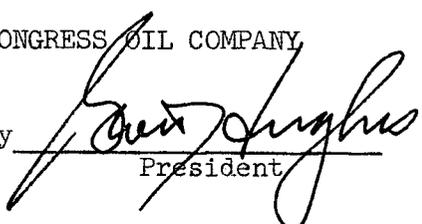
(7) So far as is known to Applicant, Kutz Canon Oil & Gas Company is the only operator other than Angels Peak Oil Company owning an interest in any of the acreage offsetting the proposed unit. Attached hereto is a true and complete copy of a letter mailed today under registered cover to said Kutz Canon Oil & Gas Company.

WHEREFORE, premises considered, Applicant prays that the Commission, after such hearing and upon such notice as the Commission may direct, issue its order granting approval of the non-standard gas proration unit herein proposed.

Respectfully submitted,

CONGRESS OIL COMPANY,

By


President

CONSENT TO NON-STANDARD GAS PRORATION UNIT

Angels Peak Oil Company, a New Mexico corporation, hereby expresses its consent to the establishment by Congress Oil Company of a non-standard gas proration unit containing 163.96 acres and consisting of the NW $\frac{1}{4}$ of Section 18, Township 28 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

IN WITNESS WHEREOF, this Consent is executed by Angels Peak Oil Company on this the 9th day of February, 1955.

ANGELS PEAK OIL COMPANY

By


Vice President

ANGELS PEAK OIL COMPANY
CONGRESS OIL COMPANY
SUMMIT OIL COMPANY

BURT BUILDING
DALLAS 1, TEXAS

February 9, 1955

Kutz Canon Oil & Gas Company
U. S. National Bank Building
Denver, Colorado

Gentlemen:

This is to advise you that Congress Oil 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 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 a non-standard gas proration unit of 163.96 contiguous acres consisting of the NW $\frac{1}{4}$ of Section 18, Township 28 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 20 days after the date of this letter.

Very truly yours,

CONGRESS OIL COMPANY

By /s/ Scott Hughes
President

SH:G

Registered Mail

LEGAL DEPARTMENT

WILLIS L. LEA, JR.
GENERAL ATTORNEY

MAIN OFFICE OCC

SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

1955 FEB 11 AM 7:42

Upon

A. S. GRENIER
MILLARD F. CARR
EDWARD G. TAYLOR
JACK HERTZ

February 9, 1955

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith are two applications for unorthodox gas proration units in San Juan County, New Mexico.

In one of the applications Southern Union Gas Company seeks authorization for a unit in the Blanco-Mesaverde Pool containing 335.75 acres, consisting of all of partial Section 7, T. 32 N., R. 10 W. In the other application Congress Oil Company, one of our subsidiaries, seeks authorization for a 163.96 acre unit in the Fulcher Kutz-Pictured Cliffs Pool, consisting of the slightly oversized NW $\frac{1}{4}$ of Section 18, T. 28 N., R. 10 W.

To each of the applications we have attached copies of letters of notification which have been sent out today to offset operators.

Very truly yours,

A. S. Grenier

ASG:FG
Encl.

cc: Mr. A. M. Wiederkehr