

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
December 17, 1953

IN THE MATTER OF:

Aztec Oil & Gas Company's application for)
approval of unorthodox gas proration unit:) Case No. 622.
40 acres, NE/4 NE/4 10-21S-37E, Blinebry Gas)
Pool.)

MR. DAVIS: If the Commission please, may I ask a question?

In the event we are unable to communitize to form an orthodox unit with Continental, will we automatically receive a one-fourth allowable since we only have forty acres there?

MR. SPURRIER: The answer is yes.

MR. DAVIS: Under those circumstances Aztec will not introduce any testimony at this time due to the fact that after filing the application we have a letter from Continental Oil Company expressing a desire to attempt to communitize and pool the remainder of the northeast quarter of Section 10, Township 21 South, Range 37 E with the forty acres in the northeast quarter of the northeast quarter owned by Aztec to form an orthodox gas proration unit. This is in the Blinebry Pool and the Aztec-Dauron well, which is located on the 40 acre tract, is a duly completed well. Under those circumstances we will just accept our one-fourth allowable and attempt to get a unit worked out with Continental, and as soon as possible, in order that we will have a retroactive full allowable to the first production.

MR. WHITE: You want the case dismissed or continued then?

MR. DAVIS: In view of the fact our application asks for only a forty acre unorthodox unit we would have to come back anyway and ask for a full 160 acre proration unit and would get it automatically if we are able to communitize. As I understand it that if we are successful in doing that during this proration period then we get

the full 160 acre allowable from the well commencing January 1st.

MR. MACY: That is what the rule says.

MR. DAVIS: That is my understanding, we ask that the case be dismissed under the circumstances.

MR. SPURRIER: Is there any objection? We will dismiss Case 622, and move on to Case 623. Do you want to combine 624?

MR. DAVIS: Fine, 623 and 624.

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in the dismissal of Case No. 622 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on December 17, 1953, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 26th day of December, 1953.


COURT REPORTER