

**AZTEC OIL & GAS COMPANY**

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

November 4, 1955

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
CASE 992 EXHIBIT No. 1

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-610, as  
amended, for Establishment of  
a Non-Standard Gas Proration  
Unit in the Blinebry Gas Pool,  
Lea County, New Mexico

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 ~~NELINE~~ <sup>NE 1/4</sup> of Section 10, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as reflected on the plat attached hereto, effective November 1, 1955.

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

1. Applicant's Dauron No. 2-B Well, located 660 feet south of the north line and 525 feet west of the east line of Section 10, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, was dually completed in the Blinebry formation on January 11, 1951, and thereafter connected to the pipe line system of Southern Union Gas Company.
2. The proposed non-standard gas proration unit consists of 40 acres.
3. The proposed non-standard gas proration unit lies wholly within a single governmental section.
4. The proposed non-standard gas proration unit may reasonably be presumed to be productive of gas from the Blinebry Gas Pool.
5. The length or width of the non-standard gas proration unit does not exceed 2640 feet.
6. Applicant owns the entire working interest in the proposed non-standard gas proration unit.

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7. Applicant has been unsuccessful in its efforts to pool the lands covered by this application with adjoining lands to form a standard gas proration unit as provided by Order R-610, as amended.

8. 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.

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

Continental Oil Company  
1710 Fair Building  
Fort Worth, Texas

The Atlantic Refining Company  
Atlantic Building  
Dallas, Texas

Stanolind Oil and Gas Company  
Oil and Gas Building  
Fort Worth, Texas

Standard Oil Company of Texas  
Box 1249  
Houston, Texas

Shell Oil Company  
Box 1457  
Hobbs, New Mexico

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-610, as amended, approving the non-standard gas proration unit hereinabove requested.

Respectfully submitted,

AZTEC OIL & GAS COMPANY

By

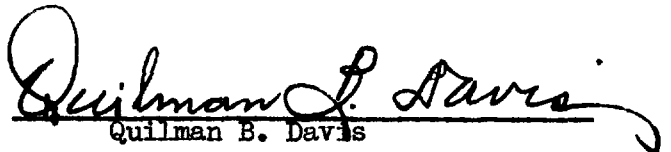
  
General Attorney

STATE OF TEXAS    )  
                          )  
COUNTY OF DALLAS    )

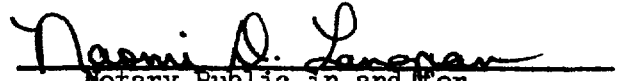
Quilman B. Davis, being first duly sworn, hereby states that he is

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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 7, 1955 in the United States post office as registered mail, with all charges prepaid, addressed to the parties listed in paragraph 9 of this application.

  
Quilman B. Davis

Sworn to and subscribed before me, the undersigned authority, this 7th day of November, 1955.

  
Notary Public in and for  
Dallas County, Texas

My Commission Expires:

June 1, 1957