

October 28, 1958

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- (2) Applicant's State E-33 #2 well was originally drilled and completed as a producing oil well in the Seven Rivers formation of the Eumont Gas Pool on May 7, 1955. The well ceased to produce oil and was recompleted in the Yates formation of the Eumont Gas Pool as a natural gas well on October 10, 1958. On October 18, 1958, the well was tested as a gas well with an absolute open flow of 920 MCF per day.
 - (3) Attached hereto as Exhibit "A" is a list of the Operators, so far as is known to Applicant, that own mineral rights on the acreage offsetting the above described well within 1980 feet.

A copy of this application has been forwarded by Registered Mail to the appropriate parties listed on Exhibit "A" with a request that they forward their approval of the non-standard location directly to the Commission in order to expedite approval.

- (4) Attached hereto as Exhibit "B" is a plat showing the location of the above well, the acreage dedicated thereto, and the offset owners to such acreage.

II.

Pursuant to Rule 5(b) of Order No. R-520, Aztec Oil & Gas Company hereby submits its application for an exception to Rule 5(a) of Order No. R-520, and it requests administrative approval of a non-standard gas proration unit comprising the NW $\frac{1}{4}$ of Section 33, Township 20 South, Range 36 East, N.M.P.M., Lea County, New Mexico. It is further requested that pursuant to Rule 8 of Order No. R-520 as amended by Rule 6(b) of Order No. R-967, and upon approval of such non-standard proration unit, Aztec be granted an allowable for such well in the ratio which the area of such unit bears to a proration unit of 160 acres; i.e. 160/160 giving an acreage factor of 1.00.

In support of this request for a non-standard proration unit, Aztec respectfully states and shows the following:

- (1) The proposed non-standard proration unit is in the form of a square and consists of contiguous quarter-quarter sections.