

MAIN OFFICE OCC

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.
DALLAS 1, TEXAS

August 17, 1960

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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application of Aztec Oil & Gas
Company for Administrative Ap-
proval of an exception to Rule
3 of Order R-565-C approving
an unorthodox Drilling Location
in the Fulcher Kutz-Pictured
Cliffs Gas Pool, and an ex-
ception to Rule 2(a)(1) of Order
R-1287 approving an unorthodox
Drilling Location in an undesignated
Dakota Gas Area

Dear Mr. Porter:

Pursuant to Rule 1(b) of Order R-1287 and to Rule 4 of Order R-565-C, Aztec Oil & Gas Company hereby submits, in triplicate, its application for administrative approval of exceptions to the well location regulations set forth in Orders R-1287 and R-565-C and requests administrative approval of an unorthodox drilling location in the Northeast Quarter (NE $\frac{1}{4}$) of Section 5, T-27-N, R-9-W, N.M.P.M., San Juan County, New Mexico.

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

1. The proposed unorthodox drilling location has been staked one thousand eight hundred and forty feet (1,840') from the East line and eight hundred and ten feet (810') from the North line of Section 5. This unorthodox location is necessitated by topographical conditions, and El Paso Natural Gas Company, the only operator of offsetting leases or leases within the section, as indicated on Exhibit "A" attached hereto and made a part hereof, has been furnished a copy of this Application by registered mail along with a request that it waive notice and hearing.

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2. Applicant intends to drill a well on the unorthodox drilling location, if approved, to be known as the Hanks #18-D Well.

3. Applicant plans to dually complete the proposed well as a gas well producing from the Pictured Cliffs and Dakota formations. Such well will be within the defined limits of the Fulcher Kutz-Pictured Cliffs Gas Pool and in an undesignated Dakota Area.

Applicant respectfully requests that the Secretary-Director of the Commission, by Administrative Approval, grant exceptions as above provided without notice and hearing, approving the unorthodox drilling location set forth above.

Yours very truly,

AZTEC OIL & GAS COMPANY

By Kenneth A. Swanson
Kenneth A. Swanson
Attorney

Exhibit - "A"

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