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DALLAS 1, TEXAS

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April 16, 1956

Mr. A. L. Porter, Secretary-Director New Mexico Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

Del NSL-33

Re: Application of Aztec Oil & Gas Company for an exception to Rule 6(a) of order No. R-565, as amended, for administrative approval of a Non-Standard Gas Proration Unit in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, New Mexico

Dear Mr. Porter:

Aztec Oil & Gas Company hereby submits its application for administrative approval of a non-standard gas proration unit comprising the NEL of Section 6, Township 27 North, Range 9 West, N.M.P.M., San Juan County, New Mexico, and further requests that upon approval of such non-standard gas proration unit, Aztec be given an allowable in the ratio which the area of such unit bears to a standard proration unit of 160 acres; i.e., 178.84/160.

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

The proposed Non-Standard Gas Proration Unit is substantially (1)in the form of a square consisting of lots 8/(45.16 acres), 9 (45.91 acres), 14 (44.28 acres) and 15 (43.49 acres), and containing a total of 178.84 acres which are contiguous surface lots.

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- The non-standard size of the tract is due to a variation in the legal sub-division of the United States Public Land Surveys.
- (3) The non-standard unit lies wholly within a single governmental section.
- (4) The entire non-standard gas proration unit may reasonably be presumed to be productive of gas.

Mr. A. L. Porter, Secretary-Director New Mexico Oil Conservation Commission Page 2 April 16, 1956

> APPROVED R Legal

- (5) The acreage comprising the proposed unit will be dedicated to a well to be known as the No. 7 Hanks which shall be drilled on a non-standard location, if approved.
- (6) So far as is known to applicant, El Paso Natural Gas Company, with offices at the El Paso Natural Gas Company Building, El Paso, Texas, is the only operator owning an interest in leases offsetting the proposed unit and such company has been furnished a copy of this application by registered mail.
- (7) Aztec Oil & Gas Company is the only operator in the section in which this non-standard unit is located.

Aztec Oil & Gas Company respectfully requests, under the provisions of Rule 6(b) of order R-565, as amended, that the Secretary-Director of the Commission grant an exception to Rule 6(a), as amended, without notice and hearing, approving the Non-Standard Gas Proration Unit and allowable as hereinabove described.

Yours very truly,

Land Acct. Eag. 8 Geol. Quilman B. Davis

General Attorney

STATE OF TEXAS COUNTY OF DALLAS

Quilman B. Davis, being first duly sworn, hereby states that he is 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 contained therein are true and correct.

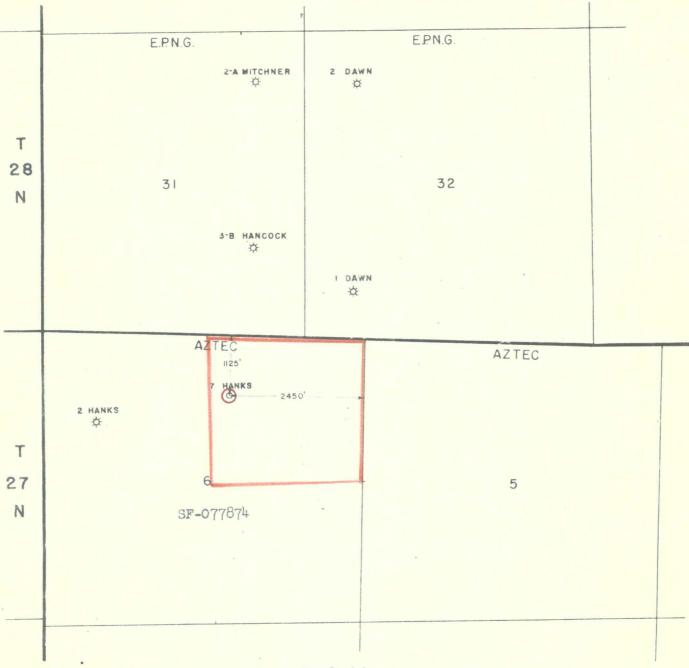
Chuilman

Sworn to and subscribed before me the undersigned authority this 16th day of April, 1956.

Notary Publ

Dallas County, Texas

My Commission Expires: June 1, 1957



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R-9-W

AZTEC OIL & GAS COMPANY

Plat of U.S.A. Lease Serial No. SF-077874

Scale 3" = 1 Mile



April 19, 1956

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

> Re: NM-52, Application for Non-Standard Gas Proration Unit

Dear Mr. Porter:

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I am enclosing herewith two copies of Aztec's application for a non-standard gas proration unit. One copy of this application has been mailed to El Paso Natural Gas Company by registered mail for their consent and approval.

Yours very truly,

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Gordon L. Llewellyn Attorney

GLL/cb Enclosures

Elin Piaso Matural Gas Company

BIG APR LD PH 1 El Paso, Texas

April 24, 1956

Mr. A. L. Porter, Secretary-Director New Mexico Conservation Commission Capitol Annex Building Santa Fe, New Mexico

> Re: Application of Aztec Oil & Gas Company for an exception to Rule 6 (a) of Order No. R-565, as amended, for administrative approval of a Non-Standard Gas Proration Unit in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, New Mexico

Dear Mr. Porter:

Reference is made to the application dated April 16, 1956, submitted by Aztec Oil & Gas Company in reference to the Non-Standard Gas Proration Unit as above described in the caption.

We wish to advise that El Paso Natural Gas Company, as offset owner, has no objection to the administrative approval of this application for Non-Standard Gas Proration Unit, comprising the NE/4 of Section 6, Township 27 North, Range 9 West, N.M.P.M., San Juan County, New Mexico, and containing 178.84 acres.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sam Smith

Ass't. Manager Lease Department

SS:JCV:pb cc: Aztec Oil & Gas Company 920 Mercantile Securities Bldg. Dallas 1, Texas