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**AZTEC OIL & GAS COMPANY**

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

NWU-222

October 16, 1957

Mr. A. L. Porter, Secretary-Director  
New Mexico Oil Conservation Commission  
State of New Mexico  
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 Aztec-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 SW<sup>1</sup>/<sub>4</sub> of Section 19, Township 28 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., 142.28/160.

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

- (1) The requested Non-Standard Gas Proration Unit is substantially in the form of a square consisting of Lots 3 (31.07 acres), 4 (31.21 acres), and the E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub> said Section 19 (80 acres) and containing a total of 142.28 acres which are contiguous surface lots and quarter-quarter sections.
- (2) The non-standard size of the tract is due to a variation in the legal sub-division of the United States Public Land Survey.
- (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.

- (5) The acreage comprising the requested unit is dedicated to a well known as the No. 8 Reid which has been drilled on the requested non-standard unit.
- (6) So far as is known to applicant, El Paso Natural Gas Company with offices in the El Paso Natural Gas Building, El Paso, Texas, is the only operator other than Aztec owning an interest in leases offsetting the requested 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,

By Quilman B. Davis  
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.

Quilman B. Davis  
Quilman B. Davis

Sworn to and subscribed before me the undersigned authority this 16th day of October, 1957.

My Commission Expires:

June 1, 1959

Charles A. Bell  
Notary Public in and for  
Dallas County, Texas

Reid OCC  
SF  
11-1-57

El Paso Natural Gas Company

El Paso, Texas

October 30, 1957

NW 22 2

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

Re: Aztec-Reid #8 Well

Dear Mr. Porter:

This is to advise that El Paso Natural Gas Company, as Operator of an offsetting lease to the SW/4 of Section 19, Township 28 North, Range 9 West, San Juan County, has no objection to the application made by Aztec Oil and Gas Company for a non-standard gas unit.

Very truly yours,



Harry Gevertz  
Area Landman  
Land Department

HG:jr

cc: Aztec Oil & Gas Company  
920 Mercantile Securities Building  
Dallas 1, Texas

NM 1010