AZTES OIL & GAS COMPANY

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January 18, 1963

LAND DEPARTMENT H. L. SNIDER, JR., MANAGER KENNETH A. SWANSON, ATTORNEY GORDON E. COE, ATTORNEY

CERTIFIED MAIL RETURN RECEIPT REQUESTED

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

> Re: Application of Aztec Oil & Gas Company for an Exception to Rule 5(A) of Order R-1670 for Administrative Approval of a Non-Standard Gas Proration Unit in the Basin-Dakota Gas Pool, San Juan County, New Mexico

Dear Mr. Porter:

Pursuant to Rule 5(B) of Order R-1670, Aztec Oil & Gas Company hereby submits its application, in triplicate, for an exception to Rule 5(A) of Order R-1670 and administrative approval of a non-standard gas proration unit consisting of Lots 1, 2, 5, 6 and 7, $SW_{4}^{1}NE_{4}^{1}$, $W_{2}^{1}SE_{4}^{1}$ (E_{2}^{1}) of Section 13, T-31-N, R-12-W, N.M.P.M., San Juan County, New Mexico.

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

1. The well to which this non-standard gas proration unit will be dedicated is the Aztec Oil & Gas Company Grenier #12, located seven hundred and ninety feet (790') from the east line and seven hundred and ninety feet (790') from the south line of Section 13.

2. Applicant owns all the acreage within the section on which the non-standard unit is located, as indicated on Exhibit "A" attached hereto. The only operator owning offsetting acreage is L. E. Elliott and he has been furnished a copy of this application with a request that his consent in the form of a waiver of notice and hearing be forwarded to the Commission.

3. The non-standard unit consists of contiguous quarter-quarter sections or lots.

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4. The non-standard gas proration unit contains 308.25 acres and its unorthodox size or shape is due to a variation of the legal subdivision of the United States Public Land Survey.

Applicant respectfully requests that this application be promptly considered and that approval be administratively granted pursuant to Rule 5(B) of Order R-1670 for the non-standard unit above described.

Yours very truly,

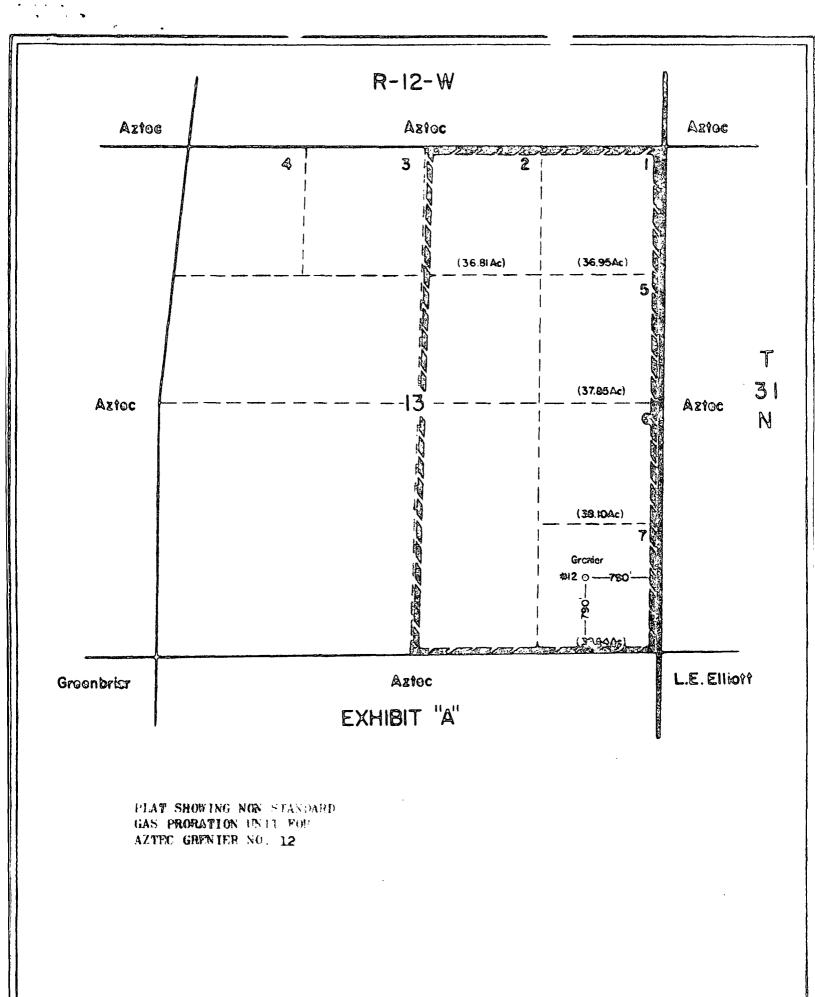
AZTEC OIL & GAS COMPANY

By V Juneth ADOLLOW

Kenneth A. Swanson Attorney

KAS/et

cc: Mr. L. E. Elliott P. O. Box 1355 Roswell, New Mexico



DIL CONSERVATION COMMISSION 1000 RID BRAZOS ROAD AZTEC, NEW MEXICO

MAIN OFFICE OCC.

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January 9, 1963

Aztec 011 & Gas Company P.O. Drawer 570 Farmington, New Mexico

Gentlemen:

We are unable to assign an allowable to your #12 Grenier well in Unit. P, Section 13-31N-125 for the reason that we have not received approval for the non-standard unit.

Will you please make application to Santa Fe for this exception and we will be able to assign an allowable as soon as this is granted.

Yours very truly

Emery C. Arnold Supervisor, District #3

ECA : ks

cc: OCC, Santa Fe, N.M. V