

AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

LAND DEPARTMENT
KENNETH A. SWANSON, MANAGER

RECEIVED
PH 11
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3573

May 3, 1967

AIR MAIL
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

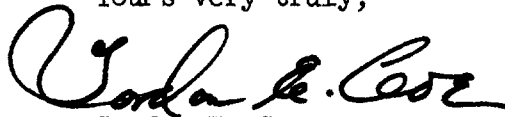
Re: Aztec Oil & Gas Company's Application
for Special Pool Rules, South Corbin-
Strawn Pool, Lea County, New Mexico

Gentlemen:

Enclosed in triplicate is Aztec Oil & Gas Company's "Application for an Order Establishing Special Pool Rules, South Corbin-Strawn Pool, Lea County, New Mexico."

A copy of the Application has been furnished to all interested parties known to Aztec Oil & Gas Company.

Yours very truly,


Gordon E. Coe

GEC:sbb
Enclosure

DOCKET MAILED

Date 5-12-67
JK

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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MAY 5 1967
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IN THE MATTER OF THE APPLICATION OF
AZTEC OIL & GAS COMPANY FOR AN ORDER
ESTABLISHING SPECIAL POOL RULES, SOUTH
CORBIN-STRAWN POOL, LEA COUNTY, NEW
MEXICO

CASE NO.

3573

APPLICATION

Aztec Oil & Gas Company (herein referred to as "Applicant") hereby makes application to the Commission for an order establishing special pool rules for the South Corbin-Strawn Pool, Lea County, New Mexico. In support of such application Applicant respectfully states and shows the following.

(1) By Order No. R-3043, effective March 1, 1966, the Commission established the South Corbin-Strawn Pool, Lea County, New Mexico, as an oil pool for Strawn production. The discovery well was the Aztec-Uncle No. 1, located in Unit C of Section 28, Township 18 South, Range 33 East, NMPM. The pool presently consists of the following described area:

Township 18 South, Range 33 East, NMPM

Section 27: SW/4
Section 28: NW/4, S/2

As of the date of this application Applicant has completed two development wells in the Strawn formation, said wells being the Aztec-Federal "M" No. 1, located in Unit L of Section 27, Township 18 South, Range 33 East, NMPM, and the Aztec-Federal "MA" #1, located in Unit G of said Section 27.

(2) In view of the geological and well data now available to it, Applicant is of the opinion that a well drilled and properly completed in the Strawn formation in the South Corbin-Strawn Pool may reasonably be expected to drain in an efficient and economical manner not less than 160 acres of land, and that in order to prevent economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, and to otherwise prevent waste and protect correlative rights it is appropriate for the Commission:

- (a) to establish 160-acre drilling units for said pool, each such unit to consist of a single governmental quarter section
- (b) to order that no well within said pool be drilled, in the absence of special topographical conditions justifying such

other locations, closer than 660 feet to the quarter section line or closer than 330 feet to any quarter-quarter section line upon which it is located, and

(c) to establish a gas liquid ratio limitation of 4,000 cubic feet of gas per barrel of liquid hydrocarbons.

(3) At the hearing regarding this matter Applicant will be prepared to present further evidence relating to (a) the propriety of the well-spacing provisions and (b) the propriety of the limiting gas-oil ratio proposed in paragraph (2) above.

(4) A copy of this application has been mailed to each of the parties listed on Exhibit "A", attached hereto, who are all of the parties Applicant knows or has reason to believe are interested in this application.

Wherefore, Applicant prays that this matter be set down for hearing before an Examiner at the earliest practicable date, that notice thereof be given according to law and the rules and regulations of the Commission, and upon hearing of the application, an order be issued establishing drilling units, providing for the location of wells within said pool and assigning the limiting gas-oil ratio to said pool in the manner provided in paragraph (2), above.

Respectfully submitted this 3rd day of May, 1967.

AZTEC OIL & GAS COMPANY


By 
Gordon E. Coe
Attorney

EXHIBIT "A"
TO
APPLICATION OF AZTEC OIL & GAS COMPANY FOR
AN ORDER ESTABLISHING SPECIAL POOL RULES,
SOUTH CORBIN-STRAWN POOL, LEA COUNTY, NEW
MEXICO

Cities Service Oil Company
Box 760
Roswell, New Mexico

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
Attn: Mr. Glenn W. Barb

Continental Oil Company
Box 1621
Durango, Colorado

Mobil Oil Corporation
P. O. Box 820
Roswell, New Mexico
Attn: Mr. Jim Posey

Mr. F. W. Estill
Kermit, Texas

Pan American Petroleum Corporation
Box 480
Farmington, New Mexico

Hudson & Hudson, Inc.
1510 First National Building
Fort Worth, Texas

Superior Oil Company
Box 1900
Midland, Texas