

AZTEC OIL & GAS COMPANY

928 MERCANTILE SECURITIES BLDG.
DALLAS 1, TEXAS
MAIN OFFICE 600

*Sept 12 1960
- 224*

1960 AUG 23 AM 8:39 August 17, 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

*NSL
Waiting period
Fulcher
Kutz
PC*

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 Approval

- A. for an exception to Rule 3 of Order R-565-C approving an unorthodox Drilling Location in the Fulcher Kutz-Pictured Cliffs Gas Pool,
- B. for an exception to Rule 1(a) of Order R-1287 approving a Non-Standard Unit in an undesignated Dakota Gas Area, San Juan County, New Mexico

Dear Mr. Porter:

A.

Pursuant to Rule 4 of Order R-565-C, Aztec Oil & Gas Company hereby submits, in triplicate, its application for administrative approval of an exception to the well location regulations set forth in order R-565-C with respect to an unorthodox drilling location in the Southwest quarter (SW $\frac{1}{4}$) of Section 6, 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 thirty feet (1,830') from the South line and one thousand seven hundred and sixty feet (1,760') from the West line of Section 6. This unorthodox location is necessitated by topographical conditions and Three States Natural Gas Company, the

only operator of offsetting leases or leases within the section, has been furnished a copy of this Application by certified mail, along with a request that it forward its consent in the form of waiver of notice and hearing to the Commission.

2. Applicant intends to drill a well on the unorthodox drilling location, if approved, to be known as the Hanks #16-D.

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.

B.

Pursuant to Rule 1(b) of Order R-1287, Applicant hereby submits its application for administrative approval of a non-standard unit consisting of Lots 6, 7, 10, 11, 12, 13 and the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 6, T-27-N, R-9-W, N.M.P.M., San Juan County, New Mexico.

In support of this request for a non-standard unit, applicant respectfully states and shows the following:

1. The unorthodox size of the non-standard unit is due to a variation in the legal sub-divisions of the United States Public Land Survey.

2. The proposed non-standard unit consists of contiguous quarter-quarter sections and/or lots and lies wholly within a single governmental section.

3. The entire non-standard unit may reasonably be presumed to be productive of gas.

4. The length or width of the non-standard unit does not exceed 5,280 feet.

5. Applicant owns all of the acreage within the section on which the proposed non-standard unit is located. Three States Natural Gas Company is the only operator of a lease offsetting such lands, as indicated on Exhibit "A" attached hereto and made a part hereof, and has been furnished a copy of this application along with a request that its consent in the form of waiver of notice and hearing be forwarded to the Commission.

Applicant respectfully requests that the Secretary-Director of the Commission, by Administrative Approval, grant exception, as

Mr. A. L. Porter

-3-

August 17, 1960

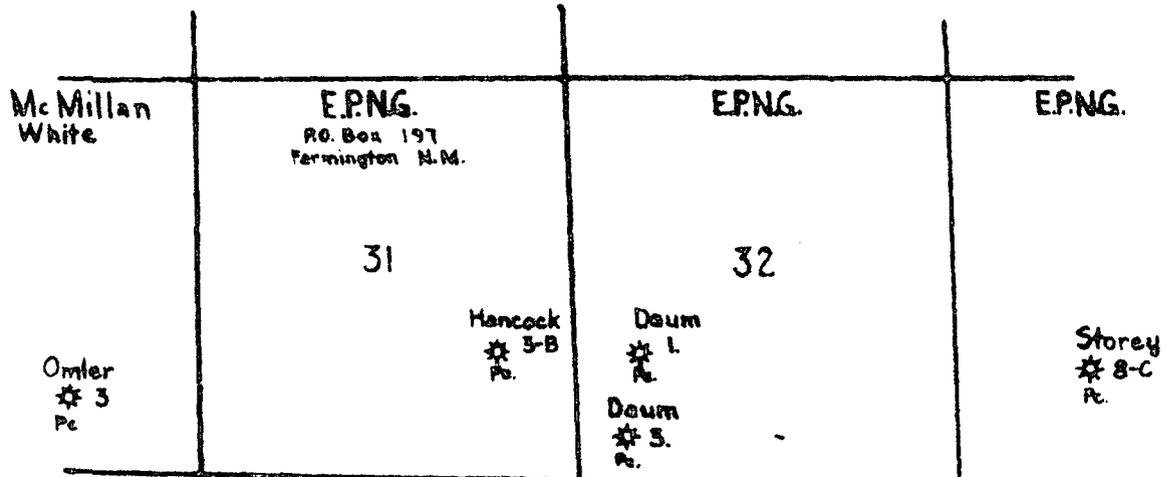
above provided, without notice and hearing, approving the unorthodox drilling location and the non-standard unit set forth above.

Yours very truly,

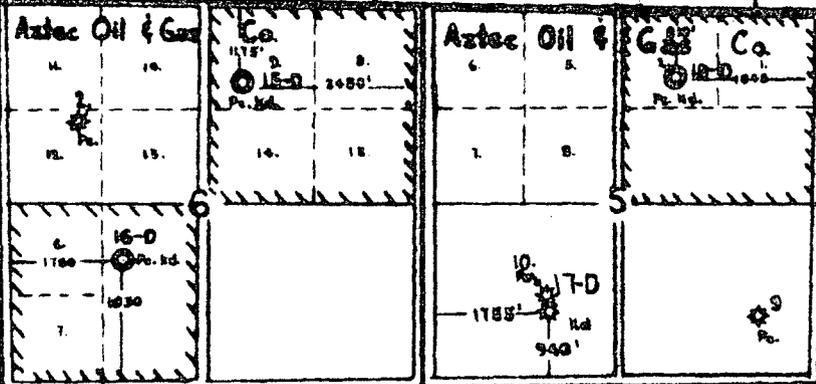
AZTEC OIL & GAS COMPANY

By Kenneth A. Swanson
Kenneth A. Swanson
Attorney

T-28-N

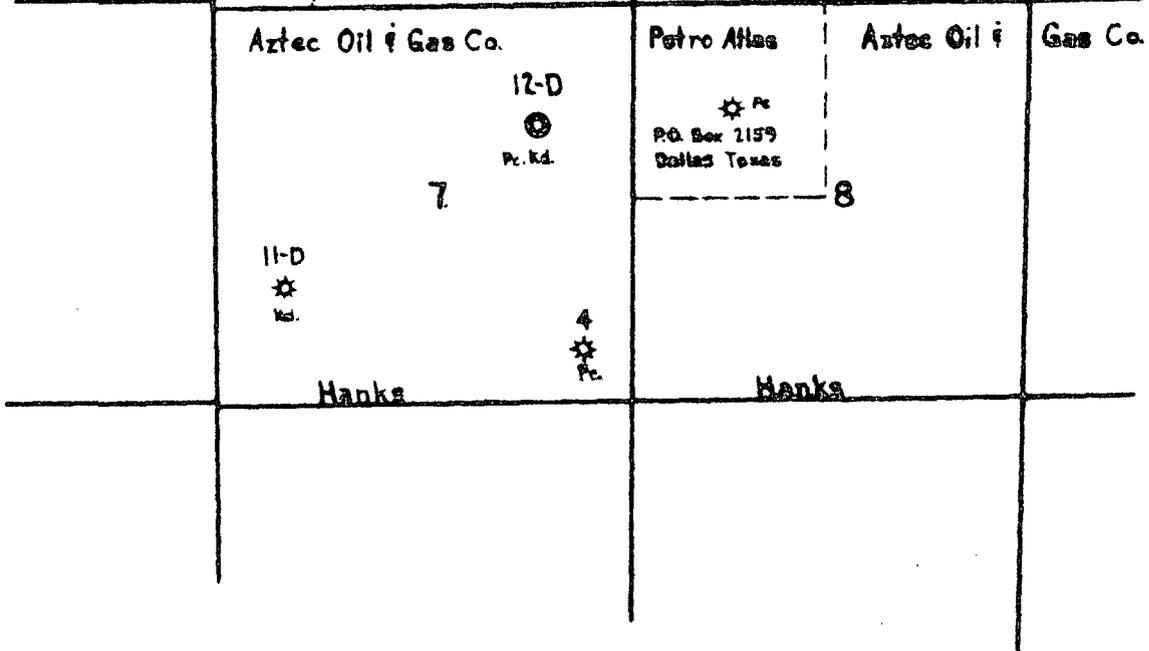


Three States
Corrigan Tower Bldg.
Dallas Texas
* 1E
Gault



R-10-W

R-9-W



T-27-N

Single Comp. — *

Dual Comp. — ●

Exhibit - "A"

AZTEC OIL & GAS COMPANY
920 MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

August 17, 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Three States Natural Gas Company
Corrigan Tower
Dallas, Texas

Re: Application for Administrative
Approval of unorthodox locations
and non-standard units for Aztec-
Hanks #16-D in Fulcher Rutz-
Pictured Cliffs Gas Pool and an
undesignated Dakota Gas Pool,
San Juan County, New Mexico

Gentlemen:

Enclosed for your information and approval is one copy of
Aztec's captioned application to the New Mexico Oil Conservation
Commission.

In order to expedite approval of this application, we would
appreciate your forwarding your consent in the form of a waiver
directly to the New Mexico Oil Conservation Commission, furnishing
us a copy of such approval.

Yours very truly,

Kenneth A. Swanson

KAS/et
Enclosure