NSL 8 due 4/6/55

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

March 16, 1955

New Mexico Oil Conservation Commission P. 0. Box 871 Santa Fe, New Mexico

> Re Application of Aztec Oil & Gas Company for an Exception to Rule 3 of Order R-565 -Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool

Gentlemen:

Rule 4

Aztec Oil & Gas Company hereby makes application for an exception to Rule 3 of Order R-565 of the Commission providing Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool, San Juan County. New Mexico, to permit the drilling of Aztec-J. D. Reid No. 4 Well at a location 1,090' South of the North line and 1670' West of the East line of Section 18, Township 28 North, Range 9 West, N.M.P.M., San Juan County, New Mexico. Due to topographic conditions prevailing in the drilling unit (NE_{h}^{1}) of Section 18), it is impracticable to drill the well at a location which will comply with the requirements of Rule 3 of Order R-565.

Aztec Oil & Gas Company is the owner and holder of oil and gas lease(s) covering drilling units surrounding the NE_{1}^{1} of Section 18.

Therefore, the undersigned applicant respectfully requests that this application be approved and that an order of the Commission be issued authorizing the location hereinabove requested for its Reid No. 4 Well.

Yours very truly,

AZTEC OIL & GAS COMPANY

Davis

QBD:NL