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November 22, 1956

NSL - NSL

REGISTERED MAIL

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 an Exception to Rule 104-d and Order No. R-110, for Administrative Approval of a Non-Standard Drilling Location in the Blanco-Mesaverde Gas Pool, San Juan County, N. M.

Dear Mr. Porter:

Pursuant to General Rule 10^4 -d and Order No. R-110, Aztec Oil & Gas Company hereby submits its application for an exception to the Well location regulations set forth above and requests approval of a non-standard drilling location in the NE_{11}^{1} of Section 36, Township 29 North, Range 9 West, N.M.P.M., San Juan County, New Mexico.

SMYNE/4

In support of this application, Aztec Oil & Gas Company respectfully states and shows the following:

- 1. The proposed non-standard drilling location has been staked one thousand nine hundred and eight (1,980) feet from the North line and two thousand four hundred and forty (2,440) feet from the East line of Section 36, Township 29 North, Range 9 West, N.M.P.M., San Juan County, New Mexico. This non-standard location is requested because of the topographical conditions existing on the proposed drilling block.
- 2. Aztec Oil & Gas Company intends to drill a well at the non-standard drilling location, if approved, to be known as the Aztec-Koch State No. 1 Well.
- 3. The proposed well will be a gas-gas dual completion and will be within the defined limits of the Blanco-Mesaverde gas pool and an extension to the Aztec-Pictured Cliffs gas pool. A separate application is being filed for the approval of this dual completion.

- 4. So far as is known to applicant, the following operators own mineral rights on the acreage offsetting the proposed well, as shown on the attached plat:
 - (a) El Paso Natural Gas Company
 - (b) El Dorado Refining Company &
 - (c) Sue Turner
 - (d) Sam Dazzio

A copy of this application has been sent to them by registered mail with a request that their approval be sent to you or to Aztec for transmittal.

Aztec Oil & Gas Company respectfully requests that the Secretary-Director of the Commission grant an exception to General Rule 104-d and Order No. R-110, without notice and hearing, approving the non-standard location hereinabove set forth.

Yours very truly,

AZTEC OIL & GAS COMPANY

Quilman B. Davis, General Attorney

STATE OF TEXAS COUNTY OF DALLAS

Quilman B. Davis, being first duly sworn, hereby states that he is the 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.

Sworn to and subscribed before me, the undersigned authority, on this 22nd day of November, 1956.

My Commission Expires:

June 1, 1957

Notary Dablic in and for Dallas County, Texas

CHARLYNE Y. SELL

NSL-75

SECRETARY AND GENERAL ATTORNEY

TAIN OFFICIAZIEC OIL & GAS COMPANY 920 MERCANTILE SECURITIES BUILDING

November 22, 1956

REGISTERED AIR MAIL

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

Dear Pete:

Enclosed are applications of the Company requesting administrative approval of a non-standard location for the Aztec-Koch State No. 1 Well and the gas-gas dual completion of the well from the Mesaverde and Pictured Cliffs formations, respectively.

obtained El Dorado Refining Company and El Paso Natural Gas Company's consent to the non-standard location for the Mesaver well, and these consents are enclosed. I am asking each of the other affected parties to give their immediate consent to our applications in the hopes that the location and dual may be approved by your office without waiting for provided for under the Company's consent to the non-standard location for the Mesaverde well, and these consents are enclosed. I am asking each of the approved by your office without waiting for the lapse of time as

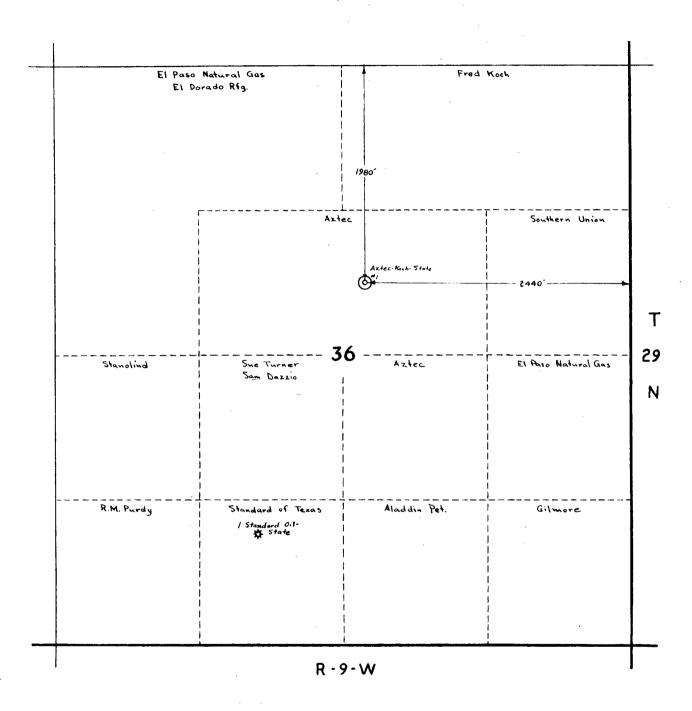
Because of the expiration of one of the leases included in the drilling unit, which is, incidentally, the $E_{\overline{a}}$ of Section 36, Township 29 North, Range 9 West, on December 26, we must commence this well in the early part of next month.

Should you need any additional information concerning either of the enclosed applications, please call me.

With thanks and best personal regards, I am

Yours very truly,

QBD:NL Encs.



Aztec Oil & Gas Company Exhibit A to Application for unorthodox location

Scale: 6" equals one mile



PAR THE OFF The ELDORADO REFINING Co. ESTABLISHED 1916 ELDORADO, KANSAS

MAX S. HOUSTON MANAGER SECLOGICAL AND EXPLORATION

October 2, 1956

ADDRESS REPLY TO 306 KOCH BUILDING WICHITA 2, KANSAS

Mr. Quilman Davis Aztec Oil & Gas Company 920 Mercantile Securities Building Dallas, Texas

> Re: Elpaso-Elreco State Lease #10889. Proposed Aztec Test 1980' from North Line and 2240' from East Line, Sec. 36-29N-9W, San Juan County, New Mexico

> > ale Goodnah

Gentlemen:

This is to indicate that the El Dorado Refining Company has no objection to the above stated non-standard location, provided that our partner in the concerned acreage, The El Paso Natural Gas Co. concurs in this opinion.

Very truly yours,

DG/msf

cc: Sam Roberson, El Dorado Office Max S. Houston, Wichita Office

MAIN Elo Poso Natural Gas Company

1973 NOV SA NA 9:50 El Paso, Texas

October 2, 1956

AIR MAIL

Aztec Oil & Gas Company 920 Mercantile Securities Bldg. Dallas 1, Texas

Attention: Mr. Quillman Davis

Gentlemen:

Pursuant to your request, we wish to advise that El Paso Natural Gas Company as an offset Operator has no objection to the unorthodox location of your proposed well in the $\rm E/2$ of Section 36, Township 29 North, Range 9 West.

Very truly yours,

Samuel Smith Assistant Manager Lease Department

SS:JWC:pb NM 267

cc: Oil Conservation Commission of the State of New Mexico Post Office Box 871 Santa Fe, New Mexico

SAM DAZZO ATTORNEY AT LAW 604 SIMMS BUILDING ALBUQUEROUE NEW MEXICO TELEPHONE 0-6714

December 17, 1956

Astec O11 & One Company 920 Mercantile Securities Bullding Dallas 1, Texas

Attention - Quilman B. Davis Secretary and general Attorney Gentlemen:

The undersigned has no objections reserving the unauthorized location in Section 36. Township 29 North, Range 9 West, N.M.P.M.

For your convenience, we enclose two copies of this letter, if you feel you must sent it to the State of New Mexico, you may do so.

If you had looked in the lease, you would have seen that my name le spelled very simply DAZZO.

Very truly yours,

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Dallas, Texas November 23, 1956

New Mexico Oil Conservation Comm. P. O. Box 871 Santa Fe, New Mexico

Re: Aztec-Koch State

No. 1 Well

Gentlemen:

Aztec Oil & Gas Company has requested that we give our consent to an unorthodox location for the Aztec-Koch State No. 1 Well in the $NE_{\frac{1}{4}}^{1}$ of Section 36, Township 29 North, Range 9 West, N.M.P.M., San Juan County, New Mexico.

This letter will evidence our consent to such unorthodox location.

Very truly yours,

.

. Glenn Turner

cc - Aztec Oil & Gas Company