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AZTEC OIL & GAS COMPANY
MAIN OFFICE 920
920 MERCANTILE SECURITIES BLDG.

1959 JUN 11 PM 1:17
DALLAS 1, TEXAS

June 9, 1959

AIR MAIL
REGISTERED

*NSL-194
Due July 1, 1959
(Waiting period)*

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

Re: Non-Standard Location for
Aztec's McClanahan #10 Well

Dear Mr. Porter:

Enclosed herewith, in triplicate, is Aztec Oil & Gas Company's application for an exception to Rule 3 of Order No. R-565-C of the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool, San Juan County, New Mexico, requesting administrative approval of a non-standard location for its McClanahan No. 10 Well.

Copies of this application have been sent by registered mail to the offset lease owner, with the request that they furnish their approval of this application directly to the Commission in order to expedite the matter.

Very truly yours,

AZTEC OIL & GAS COMPANY

Gordon L. Llewellyn
Gordon L. Llewellyn,
Attorney

GLL:NL
Encs.

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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 3 of Order No. R-565-C
for Administrative Approval of
a Non-Standard Location in the
Aztec-Pictured Cliffs Gas Pool,
San Juan County, New Mexico.

Dear Mr. Porter:

Pursuant to Rule 4 of the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool under Order No. R-565-C, Aztec Oil & Gas Company (hereinafter referred to as "Applicant") hereby submits its application for an exception to the well location regulations of Rule 3 of said regulations. In support of this request for a non-standard location, Applicant respectfully states and shows the following:

1.

Applicant's McClanahan No. 10 Well is presently located one thousand nine hundred and eighty feet (1980') from the West line and nine hundred and ninety feet (990') from the North line of Section 24, Township 28 North, Range 10 West, N.M.P.M., San Juan County, New Mexico. This non-standard location is occasioned by the extreme topographic conditions which make it impossible to drill the well on a standard location.

2.

So far as is known to Applicant, El Paso Natural Gas Company, with offices at the El Paso Natural Gas Building, El Paso, Texas, is the only operator owning a lease offsetting the drilling unit for this non-standard location. Such operator has been furnished a copy of this application by registered mail, and has been requested

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to submit its approval directly to the Commission in order to expedite approval of this application.

3.

The McClanahan No. 10 Well was completed by Applicant as a producer of natural gas in paying quantities on May 16, 1959. At the time of drilling the McClanahan No. 10 Well, Applicant erroneously failed to submit its application for a non-standard location.

4.

Attached hereto as Exhibit "A" is a plat indicating the non-standard location on the drilling unit, together with the names of the operators of all offsetting leases.

5.

Attached hereto as Exhibit "B" is a copy of NMOCC Form 128 submitted to the United States Geological Survey on April 1, 1959 by Applicant and approved by that office on April 3, 1959. This Exhibit "B" sets forth the extreme topographic conditions necessitating this non-standard location.

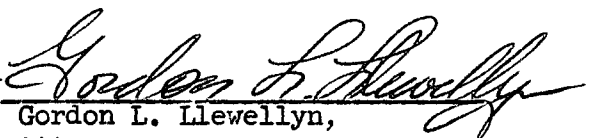
6.

This non-standard location has been drilled upon United States Oil and Gas Lease Serial No. SF-079634, and a copy of this application has been mailed to the United States Geological Survey, Farmington, New Mexico, attention of Mr. Phil McGrath.

WHEREFORE, Aztec Oil & Gas Company respectfully requests that the Secretary-Director of the Commission, by administrative approval, grant an exception to Rule 3 of Order No. R-565-C pertaining to the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool, without notice and hearing, approving the non-standard location set forth above.

Yours very truly,

AZTEC OIL & GAS COMPANY

By 
Gordon L. Llewellyn,
Attorney

GLL:NL

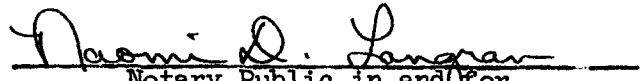
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STATE OF TEXAS)
)
COUNTY OF DALLAS)

Gordon L. Llewellyn, 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.


Gordon L. Llewellyn

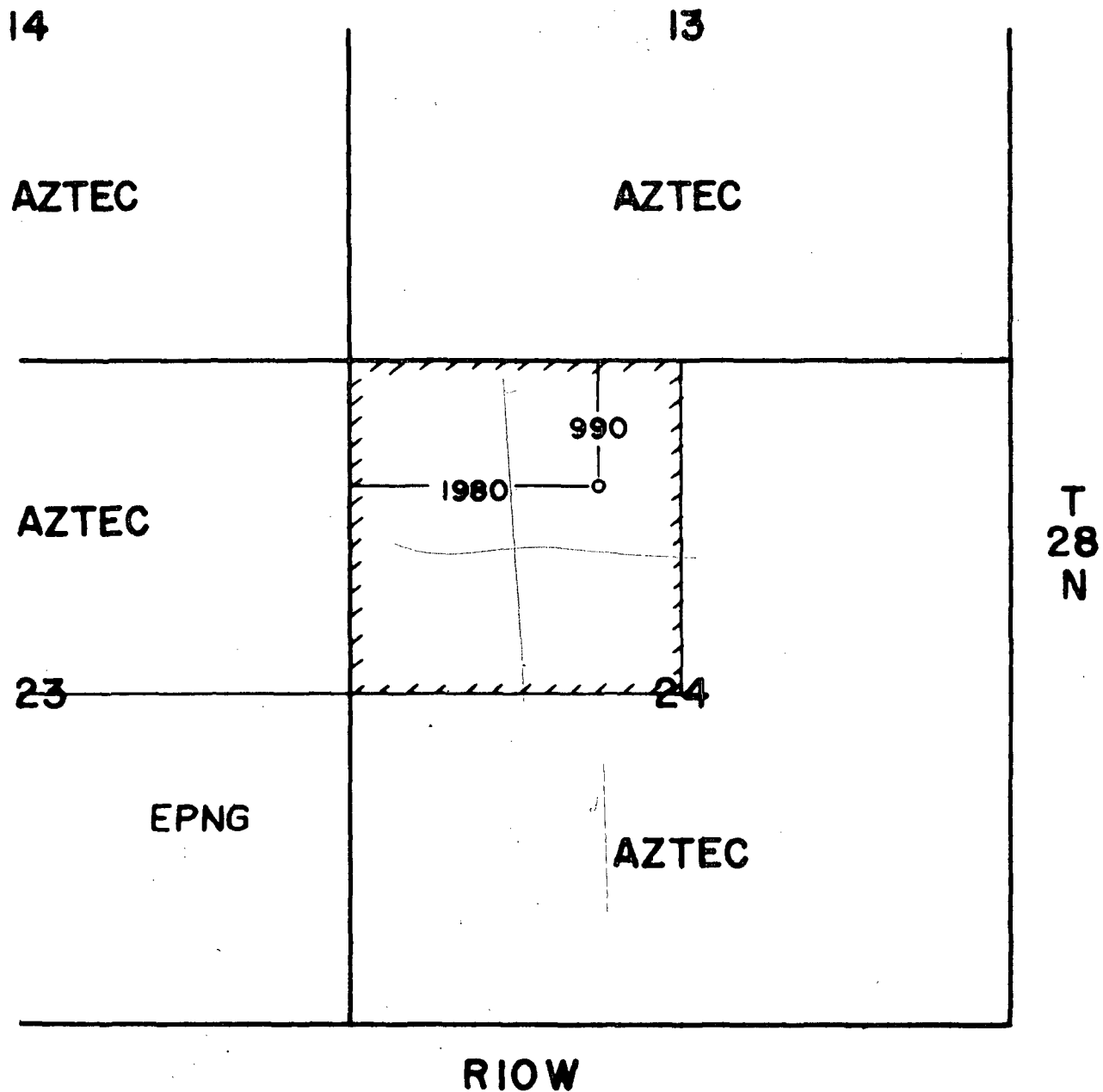
Sworn to and subscribed before me, the undersigned authority, on this 9th day of June, 1959.


Notary Public in and for
Dallas County, Texas

My Commission Expires:

June 1, 1961

EXHIBIT "A"



 AREA OF INTEREST
SCALE: FOUR INCHES EQUAL ONE MILE

PLAT:

ACCOMPANYING AN APPLICATION
BY AZTEC OIL & GAS CO. FOR
A NON-STANDARD LOCATION FOR
ITS 10 MCCLANAHAN WELL 990/N,
1980/N, Sec. 24, T28N, R10W,
SAN JUAN CO. NEW MEXICO

AZTEC OIL & GAS CO
DALLAS, TEXAS

Well Location and Acreage Dedication Plat

EXHIBIT "B"

Section A.

Date April 1, 1959

Operator Aztec Oil and Gas Company Lease McClanahan
 Well No. 10 Unit Letter _____ Section 24 Township 28 North Range 10 West NMPM
 Located 990 Feet From North Line, 1980 Feet From East Line
 County San Juan G. L. Elevation 5766 Dedicated Acreage 160 Acres
 Name of Producing Formation Pictured Cliffs Pool Aztec Ex.

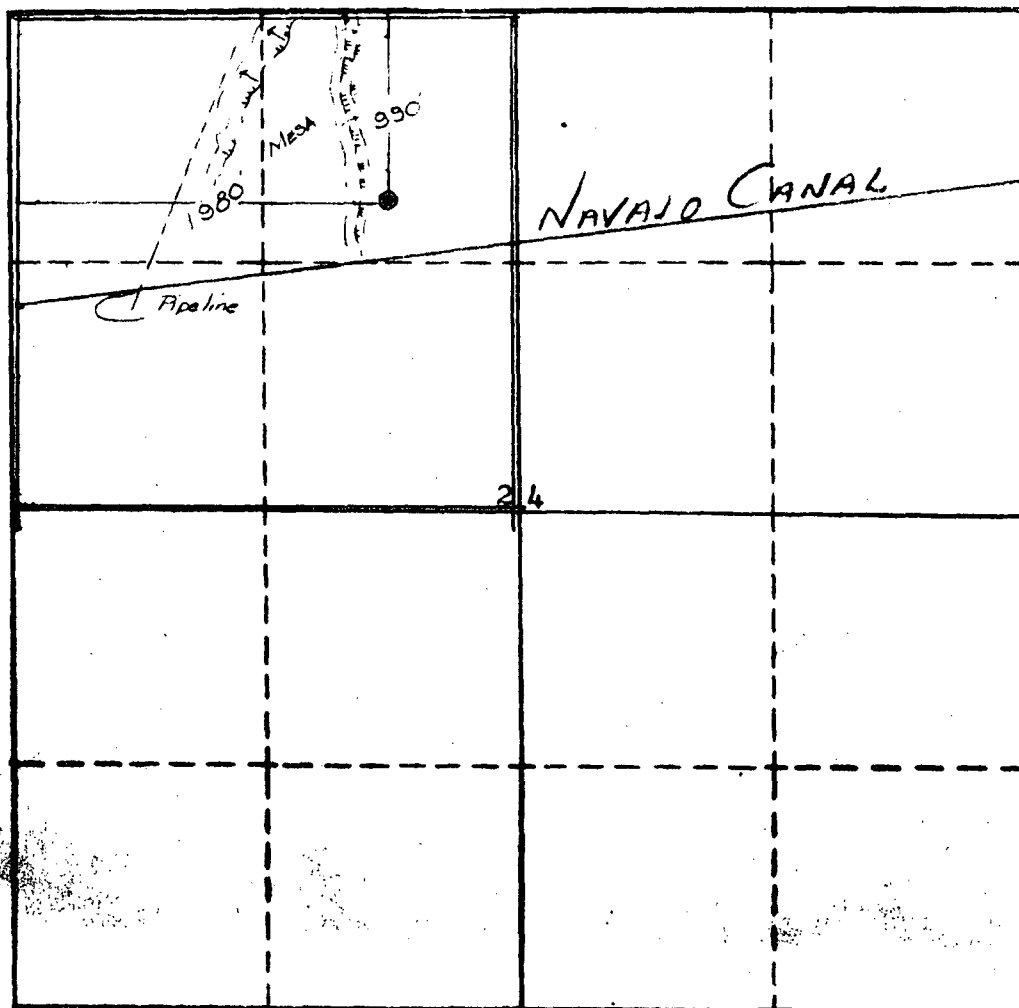
1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
 Yes Y No _____
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes,"
 Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

OwnerLand Description

RECEIVED

APR 3 1959

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

AZTEC OIL & GAS COMPANY
 (Operator)

ORIGINAL SIGNED BY JOE C. SALMON
 (Representative)

Box 786, Farmington, N.M.
 Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed Mar. 28, 1959

Ernest V. Echohawk
 Ernest V. Echohawk
 Registered Land Surveyor.

Certificate No. 1545

El Paso Natural Gas Company

El Paso, Texas

June 10, 1959

Office

Wawer

AIR MAIL

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

Gentlemen:

El Paso Natural Gas Company is in receipt of a copy of the application of Aztec Oil and Gas Company for administrative approval of a non-standard location for their McClanahan No. 10, Section 24, 28-N, 10-W, San Juan County, New Mexico.

Please be advised that El Paso has no objection to the granting of this application by administrative procedures.

Yours very truly,

PRORATION DEPARTMENT

D. H. Rainey

D. H. Rainey
Administrative Assistant

DHR:jmh

cc: Mr. Gordon Llewellyn
Aztec Oil and Gas Company
920 Mercantile Securities Building
Dallas 1, Texas