NAZTES OIL & GAS SOMPANY

SEP 2 3 1969

2000 FIRST NATIONAL BANK BUILDING DALLAS, TEXAS 75202

LAND DEPARTMENT Kenneth A. Swanson, Manager

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September 22, 1969

CERTIFIED MAIL RETURN RECEIPT REQUESTED

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, Section B-I-(b) for Approval of an Unorthodox Drilling Location for a Wildcat Oil Well

Dear Mr. Porter:

Aztec Oil & Gas Company hereby submits in triplicate its application for an exception to the well location requirements as set forth in Rule 104, Section B-I-(b) and requests approval of an unorthodox drilling location in the  $NE_{\pm}^{1}SW_{\pm}^{1}$  of Section 14, Township 32 North, Range 15 West, N.M.P.M., San Juan County, New Mexico.

In support of this application, Applicant respectfully states and shows the following:

1. The subject well has been previously drilled and completed as a Dakota oil well at a location one thousand six hundred feet (1,600')from the south line and two thousand five hundred feet (2,500') from the west line of the said Section 14, such well being designated as the Aztec-Middle Canyon Well #1. The subject well was originally commenced and drilled as a prospective gas test at an unorthodox location which was necessitated by the location of a canyon immediately south and west of the well location. Further, the subject well was commenced prior to approval of this unorthodox location in order to avoid loss of the subject lease by the expiration of its primary term. This well has now been completed as a Dakota oil well capable of producing approximately 100 barrels of oil per day.

2. For reasons of safety and in order to avoid the possibility of stream pollution, it was necessary that this wellsite be located at an unorthodox location above the lip of a canyon which is immediately adjacent to and in a southwesterly direction from the well location. Mr. A. L. Porter

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3. Applicant is the lease owner and operator of all lease acreage offsetting the subject location.

4. Attached hereto as Exhibit "A" is a plat showing the unorthodox location of the subject well, location of the adjacent canyon and leases in the vicinity owned and held by Applicant.

Wherefore, Applicant respectfully requests that this application for an unorthodox location as an exception to Rule 104, Sec. B-I-(b) be granted administratively pursuant to the provisions of Rule 104, Sec. F, such location being based upon topographic conditions as hereinabove set forth.

Yours truly,

AZTEC OIL & GAS COMPANY

Joe E Attorney

JES:sbb Attachment OIL CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO

TO ATTON in Boorgo Hatch

DATE <u>9-28-69</u> Re: Proposed NSP Proposed NWU Proposed NSL Proposed NFO Proposed MC

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Gentlemen:

I have examined the application dated <u><u><u>7-22-69</u></u></u> for the Brztec O.1+ 6a6 Co Middle Conyou # 1600/s 2500/w Sec 14-32N-15 W Operator Lease and Well No. S-T-R

OIL CONSERVATION COMMISSION

DISTRICT

and my recommendations are as follows:

Topography Veri Fied, approve

Yours very truly,

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