

*Recd Jan 12*

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

1960 DEC 12 PM 1:29

December 9, 1960

*385-  
NWU  
(Waiting Period)*

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 Administrative Approval  
of an Exception to Rule 6(a) of  
Order R-565-C approving a Non-  
Standard Production Unit in the  
Fulcher Kutz-Pictured Cliffs Gas  
Pool and an exception to Rule 1(a)  
of Order R-1287 approving a Non-  
Standard Unit in the Basin Dakota  
Gas Pool, San Juan County, New  
Mexico.

*Fulcher  
Kutz*

Dear Mr. Porter:

Pursuant to Rule 5(b) of Order R-565-C and Rule 1(b) of Order R-1287, Aztec Oil & Gas Company hereby submits its application for administrative approval of non-standard units consisting of the NW $\frac{1}{4}$  of Section 7, T-27-N, R-9-W, N.M.P.M., San Juan County, New Mexico with respect to production from the Pictured Cliffs formation and the NE $\frac{1}{4}$  of Section 7, T-27-N, R-9-W, N.M.P.M. with respect to production from the Dakota formation. Applicant further requests that an allowable be granted for production from the Pictured Cliffs formation in the ratio that the area of the non-standard proration unit bears to a proration unit of 160 acres; i.e. 156.97/160.

In support of this request for non-standard units, Applicant respectfully states and shows the following:

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

Mr. A. L. Porter

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2. The proposed non-standard units consist of contiguous quarter-quarter sections and/or lots and lie wholly within a single governmental section.

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

4. The length or width of the non-standard units do not exceed five thousand two hundred and eighty feet (5280').

5. Applicant owns all of the acreage within the section on which the proposed non-standard units are located. Petro-Atlas Petroleum Corporation 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 by certified mail, along with a request that it waive notice and hearing.

6. The location of the well to which the subject non-standard units will be dedicated and which has been designated the Hanks #12-D is one thousand seven hundred and sixty feet (1760') from the North line and seven hundred and ninety feet (790') from the East line of Section 7.

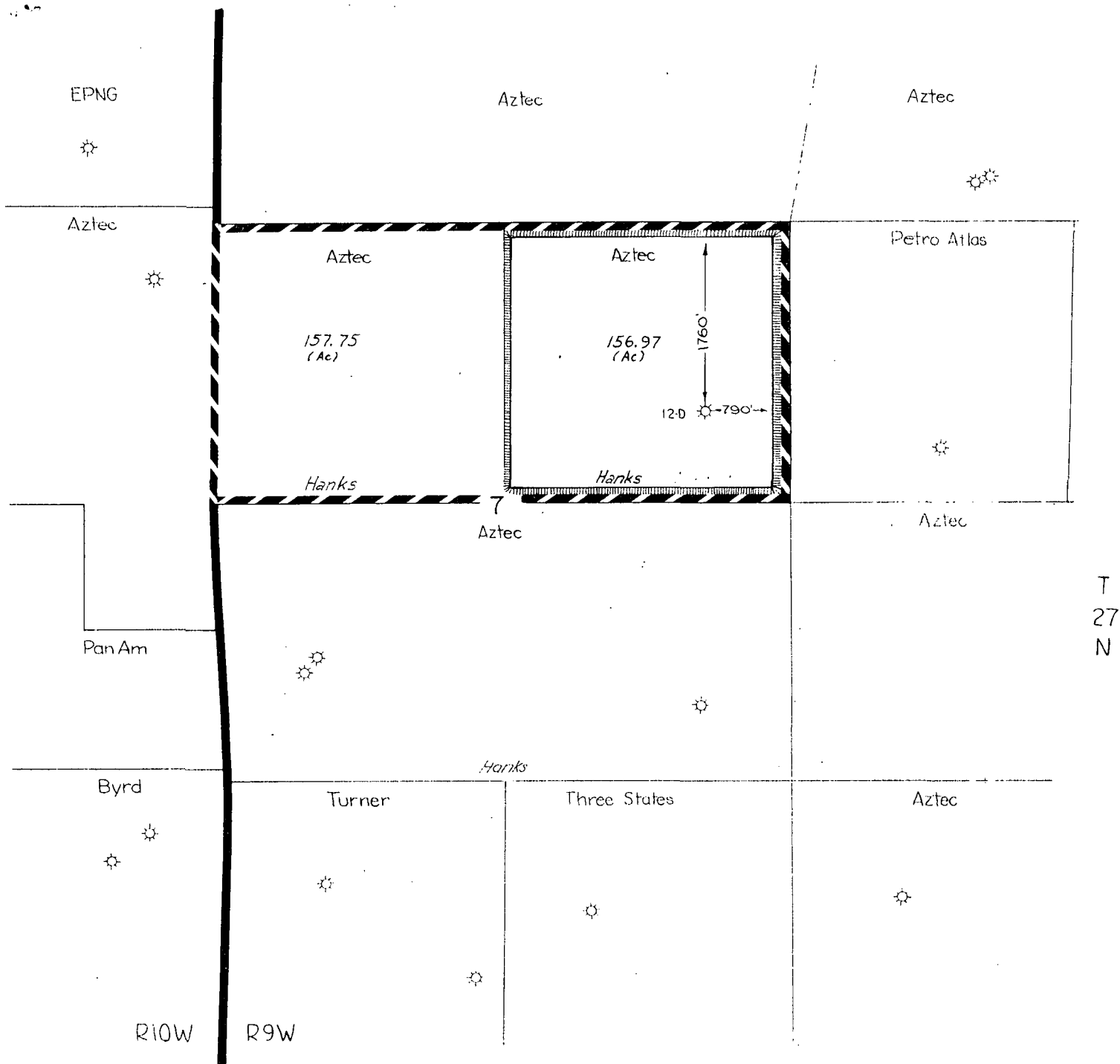
Applicant respectfully requests that the Secretary-Director of the Commission, by administrative approval, grant exception, as above provided, without notice and hearing, approving the non-standard units set forth above.

Yours very truly,

AZTEC OIL & GAS COMPANY

By Kenneth A. Swanson  
Kenneth A. Swanson  
Attorney

KAS/et



# AZTEC OIL & GAS COMPANY

## Sketch Showing

Proposed non-standard proration units for Hanks 12-D.

Legend  314.7 ac. Basin Dakota Dakota Gas Unit  
 157 ac. Fulcher Kutz Pic. Cliffs Unit

Scale: 4"=1 mile

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retro-Atlas Petroleum Corp.  
2000 National Bank of Tulsa Bldg.  
Tulsa, Oklahoma

Re: Application for Administrative  
Approval of a Non-Standard  
Production Unit for the Aztec-  
Banks #12-D in Fulcher Kutz-  
Pictured Cliffs 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*  
*it*

KAS/et  
Enclosure