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VICE PRESIDENT
PRODUCTION
100-2-23-72

AZTEC OIL & GAS COMPANY
2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

January 21, 1972



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OIL CONSERVATION COMM.

well file
Mr. A. L. Porter, Secretary Director
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

NWU 3-364

Re: Application of Aztec Oil & Gas Company
For Exception to Rule 5 (A) of
Order No. 1670 for Non-Standard
Proration Unit
Reid No. 22, Blanco Mesaverde Pool
San Juan County, New Mexico

Dear Mr. Porter:

Under provisions of Order No. 128-C, Rule 1, Section (b) of the Special Rules and Regulations for the Blanco Mesaverde Pool, Aztec Oil & Gas Company hereby submits its application, in triplicate, for an exception to Rule 5 (A) of Order R-1670 and requests administrative approval for a Non-Standard Proration Unit.

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

- (1) The unorthodox size of the non-standard gas proration unit is due to a variation in legal subdivision of the U.S. Public Land Survey.
- (2) The non-standard gas proration unit consists of contiguous quarter-quarter sections and/or lots comprising a total of 260.64 acres.
- (3) The non-standard gas proration unit lies wholly within a single governmental section.
- (4) The entire non-standard gas proration unit may reasonably be presumed to be productive of gas from the Blanco Mesaverde gas pool.
- (5) Aztec Oil & Gas Company owns all the acreage within the section on which is located the non-standard gas proration unit as indicated on the attached plat.

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- (6) Copies of this application are being furnished, by certified mail, to offset operators with a request for their approval to be mailed directly to the Commission in order to expedite approval.

Your consideration and approval of this request will be greatly appreciated.

Very truly yours,

AZTEC OIL & GAS COMPANY



Prentice Watts

PW:LDE:bjr

Attachment

xc: Mr. Emory Arnold
New Mexico Oil Conservation Commission
Aztec, New Mexico

Each Offset Operator