

GOVERNOR
DAVID F. CARGO
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State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

1000 RIO BRAZOS ROAD
AZTEC

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 1, 1967

Aztec Oil & Gas Co.
2000 First National Bank Building
Dallas, Texas 75202

Attn: Mr. Gordon E. Coe

Pierce #2 -

30 - 34 - 10

Re: Application of Aztec Oil & Gas Company for
Exception to Rule 5(A) of Order R-1670-C
for a Non-Standard Proration Unit,
Basin Dakota Gas Pool, San Juan County,
New Mexico

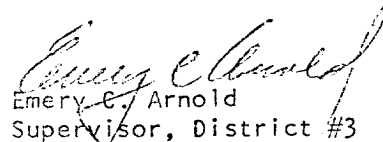
Dear Mr. Coe:

Pursuant to Rule 5(B) of Order R-1670-C, the following Non-Standard Proration Unit in the Basin Dakota Gas Pool is hereby approved.

Township 30 North, Range 10 West, Section 30; Lots 2,3,4, E/2 W/2, NW/4 NW/4, which constitutes all of the west half of section 30 has an area of 313.84 acres.

It is understood that this acreage is to be assigned to the Aztec Oil & Gas Company Pierce #2 well, located 1650 feet from the South line and 1650 feet from the West line of Section 30, Township 31 North, Range 10 West.

Yours very truly,


Emery C. Arnold
Supervisor, District #3

EGH:mc

cc: Aztec Oil & Gas Co.
Farmington, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

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AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202
August 29, 1967

LAND DEPARTMENT
KENNETH A. SWANSON, MANAGER



Mr. Emery C. Arnold
Supervisor, District #3
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Re: Application of Aztec Oil & Gas Company for
Exception to Rule 5(A) of Order R-1670-C
for a Non-Standard Proration Unit, Basin
Dakota Gas Pool, San Juan County, New Mexico.

Dear Mr. Arnold:

Pursuant to Rule 5(B) of Order R-1670-C, Aztec Oil & Gas Company hereby submits its application in triplicate for an exception to Rule 5(A) of said order and requests approval for a Non-Standard Gas Proration Unit in the Basin Dakota Gas Pool, San Juan County, New Mexico. The name, description of the drilling block, and the size of the proration unit covered by this application is as follows:

<u>Well Name & Drilling Block</u>	<u>Location</u>	<u>No. of Acres</u>	<u>Kind of Well</u>
Aztec-Pierce #2, T-31-N, R-10-W Section 30: Lots 2, 3, 4, E/2 W/2, NW/4 NW/4.	1650' from South line and 1650' from West line of Section 30, T-31-N, R-10-W.	313.84	Gas

In support of this application, Aztec Oil & Gas Company states and shows that the unorthodox size of the tract constituting the requested non-standard unit is due to a variation in the legal subdivision of the United States Public Land Survey, and that such non-standard unit is not less than seventy-five percent (75%) nor more than one hundred twenty-five percent (125%) of a standard unit. A plat showing the unit is attached hereto as Exhibit "A".

Wherefore, Aztec Oil & Gas Company respectfully requests the District Supervisor to approve the requested non-standard unit as an exception to Rule 5(A) of Order R-1670-C, without notice and hearing.

Very truly yours,

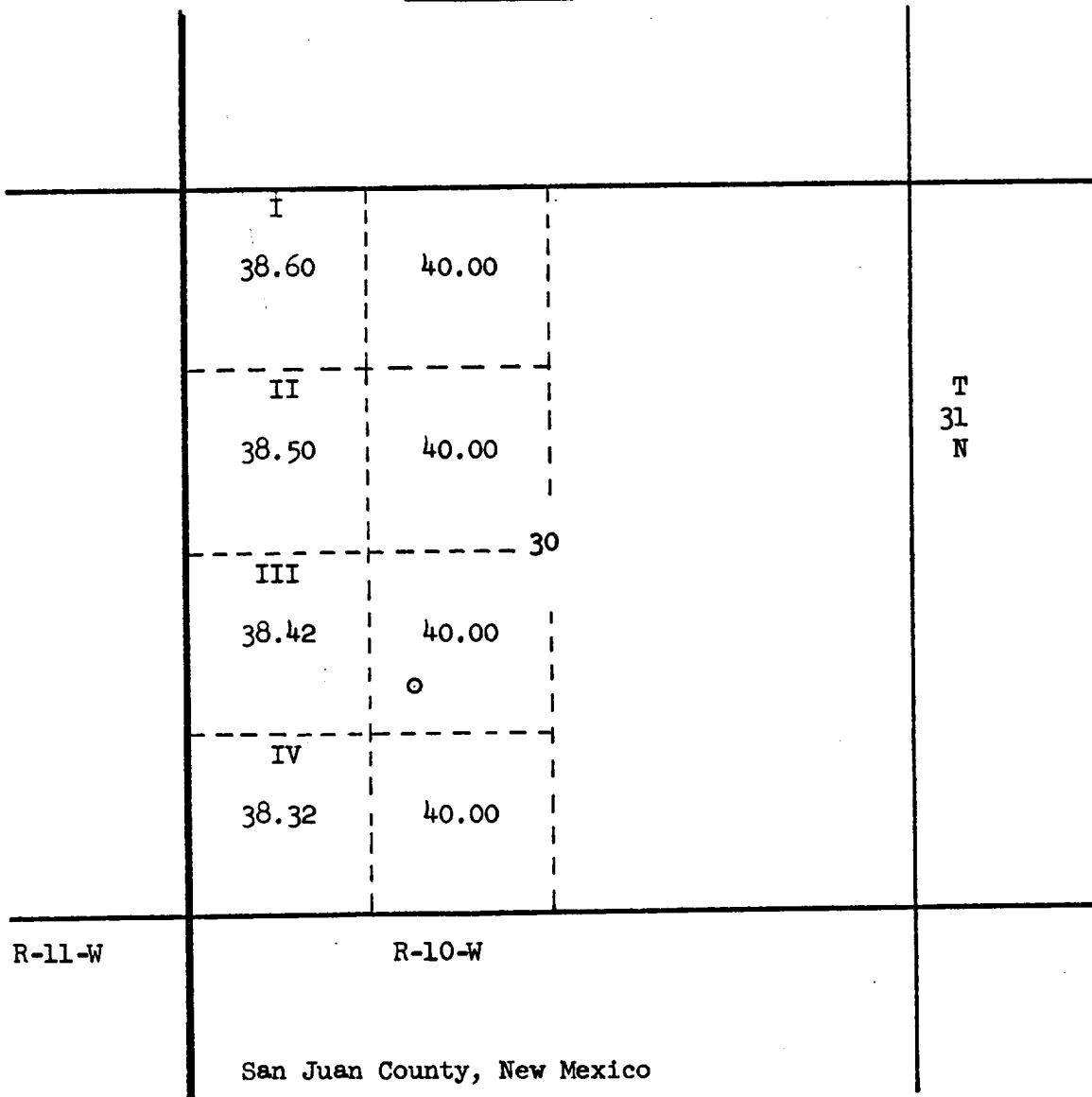
AZTEC OIL & GAS COMPANY

ORIGINAL SIGNED BY
By: GORDON E. COE
Gordon E. Coe
Attorney

GEC:lg

Encl.
cc: Mr. Prentice Watts
Mr. Joe Salmon

EXHIBIT "A"



Scale 1" = 1320'

PLAT ACCOMPANYING APPLICATION FOR 313.84 ACRE
NON-STANDARD UNIT IN BASIN DAKOTA GAS POOL FOR
THE AZTEC-PIERCE NO. 2 WELL.