GOVERNOR DAVID F. CARGO CHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



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

1000 RIO BRAZOS ROAD AZTEC

September 9, 1968

Mr. Joe E. Starks, Attorney Aztec Oil & Gas Co. 2000 First National Bank Building Dallas, Texas 75202

Dear Mr. Starks:

Mr. George Hatch, Commission Attorney in Santa Fe, has forwarded to me three copies of an application for approval of a non-standard proration unit with attachments pertaining to the acreage dedicated to your Vasaly #2 well, located in the southwest quarter of section 31, township 32 north, range 11 west.

I am enclosing a copy of a non-standard unit approval issued in this office September 3, 1968. I am also enclosing a page from Order R-1670 which is the order setting out northwestern New Mexico gas rules and regulations, calling your attention to Rule 5 B, paragraphs I and 2 which provide that non-standard units which consist of all of a legal subdivision (half section in this case) and which do not vary from 320 acres by more than 25%, may be approved by the district supervisors on the basis of information taken from the dedication plats filed with the Notice of Intention to Drill.

I point out the above information in order to save you the inconvenience and extra work involved in making formal applications for similar units in the future.

Yours very truly,

Emery Arnold

Supervisor, District #3

ECA:mc

Attachments

cc: Mr. George Hatch Oil Coonservation Commission Santa Fe, New Mexico