MAIN OFFICE OCC AZTEC DIL & GAS COMPANY
920 MERCANTILE SECURITIES BLDG.
DALLAS 1, TEXAS

NSL-38/ And 5/6/16

April 11, 1956

Mr. A. L. Porter, Secretary-Director New Mexico Conservation Commission State of New Mexico Santa Fe, New Mexico

Re: Application of Aztec Oil & Cas
Company for an exception to Rule
3 of Order No. R-565, as amended,
for administrative approval of a
Non-Standard Drilling Location in
the Fulcher Kutz-Pictured Cliffs
Cas Pool, San Juan County, New
Mexico.

Dear Mr. Porter:

/3.

Pursuant to Rule 4 of Order No. R-565, Aztec Oil & Gas Company hereby submits its application for an exception to Rule 3 of such order and for approval of a Non-Standard Drilling Location in the NE_4^1 of Section 6, Township 27 North, Range 9 West, N.M.P.M., San Juan County, New Mexico.

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

- 1. The proposed non-standard drilling location has been staked One Thousand One Hundred and Twenty-five (1,125) feet from the North line and Two Thousand Four Hundred and Fifty (2,450) feet from the East line of Section 6, Township 27 North, Range 9 West, N.M. P.M., San Juan County, New Mexico. This location is situated at the base of a high Mesa and is as near as topographically possible to a standard location. (See attached plat)
- 2. Aztec Oil & Gas Company intends to drill a well on the non-standard drilling location, if approved, to be known as the No. 7 Hanks.
- 3. A proposed Non-Standard Gas Proration Unit of 178.84 acres will be dedicated to the proposed No. 7 Hanks well. This unit will consist of Lots 8 (45.16 acres), 9 (45.91 acres), 14 (44.28 acres), and 15 (43.49 acres) of Section 6, Township 27 North, Range 9 West, N.M.P.M. A separate application is being filed for approval of this Non-Standard Gas Proration Unit.

4. So far as is known to applicant, El Paso Natural Gas Company, El Paso Natural Gas Company Building, El Paso, Texas, is the only operator owning an interest in leases offsetting the proposed non-standard unit containing the non-standard drilling location. A copy of this application has been sent to them by registered mail.

Aztec Oil & Gas Company respectfully requests that under the provisions of Rule 4 of Order No. R-565, as amended, the Secretary-Director of the Commission grant an exception to Rule 3, without notice and hearing, approving the non-standard location herein above set forth.

Yours very truly,

AZTEC OIL & GAS COMPANY

Land
Acct.
Eng.
Geol.

APPROVER

Quilman B. Davis General Attorney

STATE OF TEXAS COUNTY OF DALLAS

Quilman B. Davis, being first duly sworn, hereby states that he is Attorney of Aztec Oil & Gas Company, the applicant in the foregoing application; that he has executed said application on behalf of Aztec Oil & Gas Company; that he has read said application and to the best of his knowledge, information, and belief all statements of fact contained therein are true and correct.

Deibnan & Davis
Quilman B. Davis

Sworn to and subscribed before me the undersigned authority this 11th day of April, 1956.

My Commission Expires:

June 1, 1957

Notary Public in and for Dallas County, Texas

MAIN OF ELE Paso Natural Gas Company

APR 28 M 8:09

El Paso, Texas

April 23, 1956 1955 APR 25 M 8:09

Mr. A. L. Porter, Secretary-Director New Mexico Conservation Commission Capitol Annex Building Santa Fe, New Mexico

> Re: Application of Aztec Oil & Gas Company for an exception to Rule 3 of Order No. 565, as amended, for administrative approval of a Non-Standard Drilling Location in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, N.M.

Dear Mr. Porter:

Reference is made to the application dated April 11, 1956, submitted by Aztec Oil & Gas Company in reference to the Non-Standard Drilling Location as described in the caption.

We wish to advise that El Paso Natural Gas Company, as offset operator, has no objection to the administrative approval of this application for the drilling of the #7 Hanks well to be located 1125 feet from the north line and 2450 feet from the east line of Section 6, Township 27 North. Range 9 West, N.M.P.M., San Juan County, New Mexico.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Manager

Lease Department

RLH: JWC: pb

cc: Aztec Oil & Gas Company 920 Mercantile Securities Bldg. Dallas 1, Texas

MAIN OFFICE OCC 920 MERCANTILE BECURITIES BLDG.

1935 AFR 15 AM 8:39

DALLAS 1, TEXAS

April 12, 1956

Mr. A. L. Porter, Secretary-Director New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Re: Aztec's NM-52

Dear Mr. Porter:

I am enclosing herewith two copies of an application for approval of a non-standard drilling location, in accordance with Rule $^{1\!\!4}$ of Order No. R-565, and a copy of the notice which was sent to El Paso Natural Gas Company.

Thank you for your attention to this matter.

Yours very truly,

AZTEC OIL & GAS COMPANY

Gordon L. Llewellyn, Attorney

GLL:NL Encs. April 12, 1956

El Paso Natural Gas Company El Paso Natural Gas Building El Paso, Texas

Re: Application for Non-Standard Drilling Location

Gentlemen:

I am enclosing herewith one copy of an application for a non-standard drilling location which Astec has submitted to the Secretary-Director of the New Mexico Oil Conservation Commission for his approval.

I believe that you will find the application self-explanatory in that it sets forth the lands covered and the Commission rules that are involved.

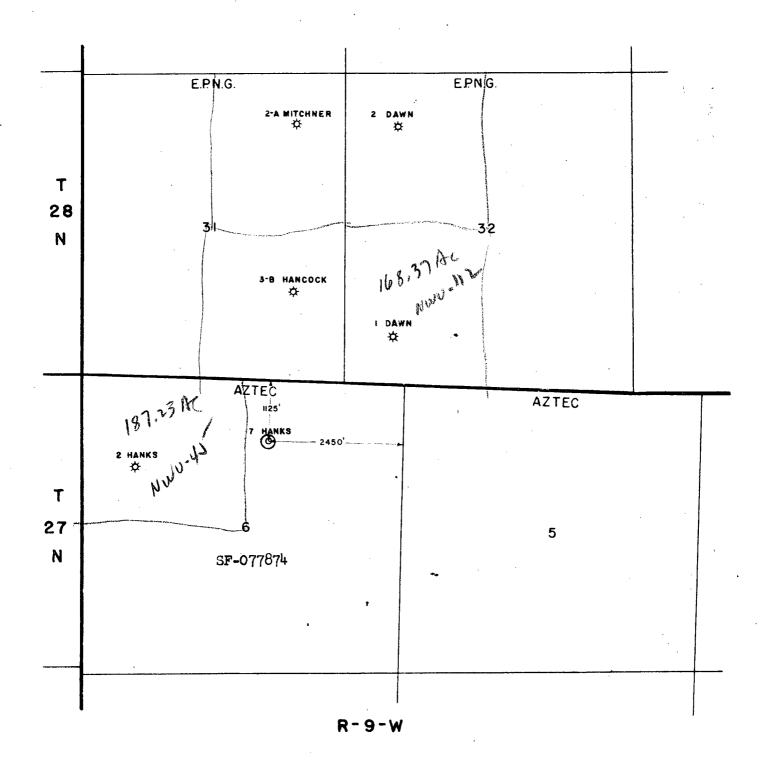
We will greatly appreciate your sending a consent for such a non-standard location to the Secretary-Director as soon as possible. If such a consent is given, please send me a copy. Thank you for your prompt attention to this matter, and if you have any questions, please let me hear from you.

Very truly yours,

AZTEC OIL & GAS COMPANY

Gordon L. Llewellyn, Attorney

GLL:NL Enc.



AZTEC OIL & GAS COMPANY

Plat of U.S.A. Lease Serial No. SF-077874

Scale 3" = 1 Mile