

AZTEC OIL & GAS COMPANY

due Jan 12
MAIN OFFICE OCC

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

1960 DEC 12 PM 1:29

December 9, 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

NWU - 384
(waiting period)
Basin-Dakota

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.

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 NE $\frac{1}{4}$ 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 $\frac{1}{2}$ 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.

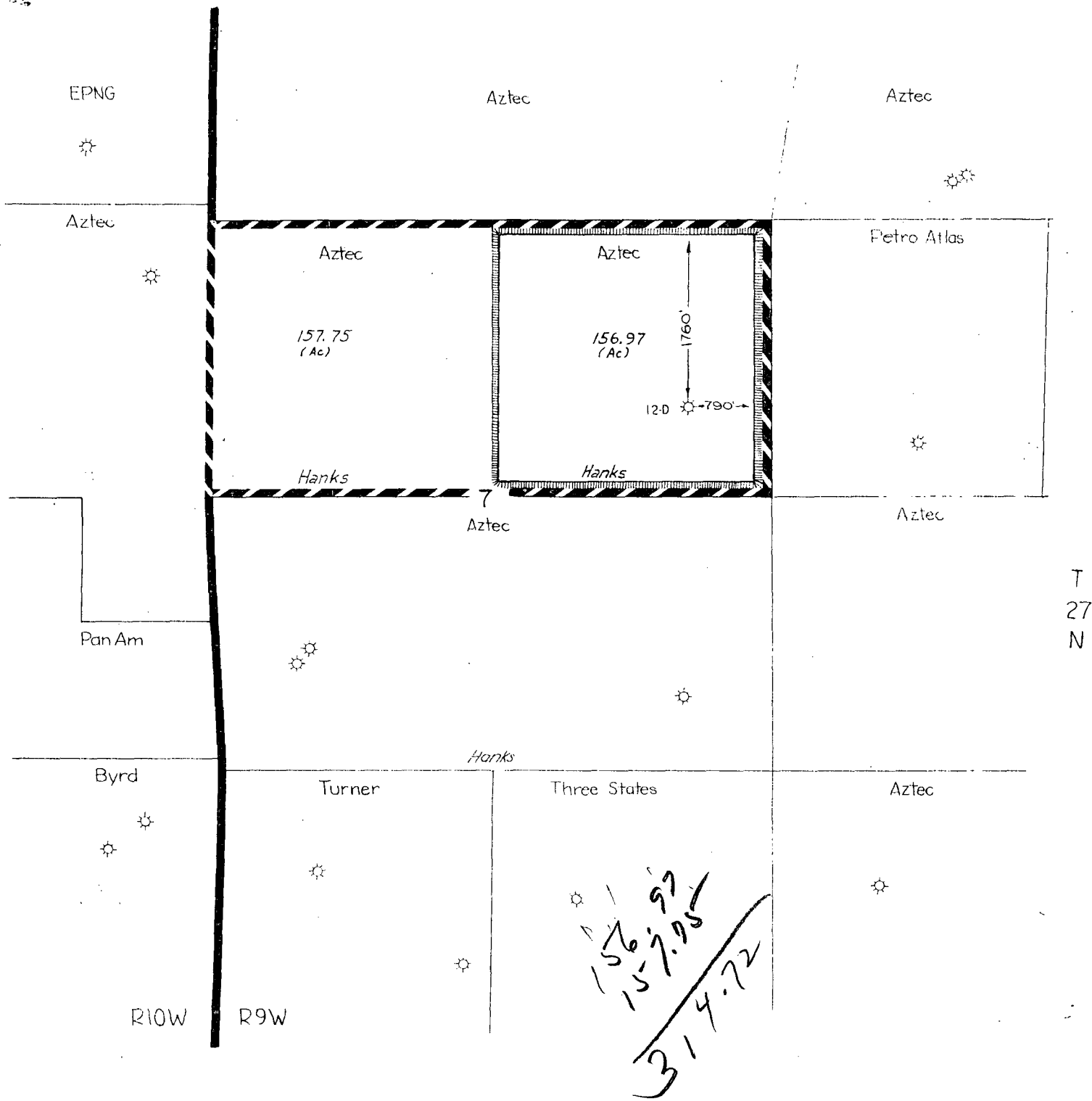
Applicant respectfully requests that the Secretary-Director of the Commission, by administrative approval, grant exception, as above provided, without notice and hearing, approving the non-standard units set forth above.

Yours very truly,

AZTEC OIL & GAS COMPANY

By Kenneth A. Swanson
Kenneth A. Swanson *et*
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

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BUILDING

DALLAS 1, TEXAS

December 9, 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Petro-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-
Hanks #12-D in Pulcher 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
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KAS/et
Enclosure