Case 1482

AZTEC DIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

June 20, 1958

AIR MAIL

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

Re: Application of Aztec Oil & Gas Company requesting an Examiner's Hearing for an Exception to Statewide Rule 104(d)(2) and Section 1(c) of Order No. R-110, as Amended by Order No. R-397, for Approval of a Non-Standard Drilling Location in the Blanco Mesaverde Gas Pool, San Juan County, New Mexico.

Dear Sir:

Pursuant to Section 13 of Order No. R-110, Aztec Oil & Gas Company, hereinafter called "Applicant", hereby submits in triplicate its application for an exception to the well location regulations set forth in Statewide Rule 104(d)(2) and Section 1(c) of Order No. R-110, as amended by Order No. R-397, and requests approval of a non-standard drilling location in the SE_{4}^{1} of Section 30, Township 32 North, Range 12 West, N.M.P.M., San Juan County, New Mexico.

In support of this application, Applicant respectfully states and shows the following:

1.

The subject well is known as Applicant's Culpepper-Martin #2 well which is located 990 feet from the South line and 990 feet from the East line of Section 30, Township 32 North, Range 12 West, N.M.P.M., San Juan County, New Mexico.

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2.

This non-standard location in the SE_{4}^{1} rather than in the prescribed Northeast or Southwest quarter sections is requested because Applicant's Culpepper-Martin #2 well was completed on October 22, 1951, as a discovery well and the only well in the West Blanco Dakota Pool. Because this well was depleted in the West Blanco Dakota Pool, the Culpepper-Martin #2 well was then re-completed on September 27, 1956, in the Blanco Mesaverde Gas Pool at its present non-standard location.

3.

It is the intention of Applicant to dedicate the $S^{\frac{1}{2}}$ of said Section 30 as the proration unit for the subject well.

4.

Attached hereto as Exhibit "A" is a copy of Form C-128 which indicates the location of the subject well and the acreage dedicated to such well.

5.

The $N_2^{\frac{1}{2}}$ of said Section 30 has been dedicated to Applicant's Culpepper-Martin #9 well which was drilled on a non-standard drilling location in the $NW_4^{\frac{1}{4}}$ of said section pursuant to Order No. R-1153 promulgated by the Cil Conservation Commission on April 11, 1958.

6.

So far as is known to Applicant, the following Operators own mineral rights on the acreage offsetting this well:

- (a) Anderson-Prichard Oil Corporation (Sec. 31, T-32-N, R-12-W)
- (b) Southern Union Gas Company (Secs. 25 & 36, T-32-N, R-13-W)

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A copy of this application has been sent to each of the above parties to notify them of this application for a non-standard drilling location.

Pursuant to Statewide Rule 1203, Applicant respectfully requests that a hearing be set before an Examiner as soon as possible at Santa Fe, New Mexico, to consider this request for approval of the non-standard location hereinabove set forth.

Yours very truly,

AZTEC OIL & GAS COMPANY

Quilman B. Davis General Attorney

APPROVED Legal

Land

Acct.

Geol.

STATE OF TEXAS) COUNTY OF DALLAS)

Quilman B. Davis, being first duly sworn, hereby states that he is the 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 herein are true and correct.

Quilman B. Davis

Sworn to and subscribed before me the undersigned authority this 20th day of June, 1958.

My Commission Expires:

June 1, 1959

Notary Public in and for Dallas County, Texas