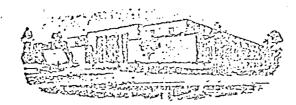


State of New Mexico



RECEIVED LOCT 0 7 1977 Land Administration

Commissioner of Public Lands
October 5, 1977

P. O. BOX 1143
SANTA FE, NEW MEXICO 87501

HL R. LUCERO COMMISSIONER

> REGISTERED MAIL-RETURN RECEIPT REQUESTED

Allied Chemical Corporation and Texas Pacific Oil Company, Inc. P. O. Box 2120 Houston, Texas 77001

> Re: State of New Mexico Oil and Gas Lease No. B-148-10, NN/4NN/4, S/2NN/4 Sec. 32-T24S-R37E, Lea County, New Mexico

ATTENTION: Land Department

2137 (N. Mer)

Gentlemen:

An audit of the subject lease reveals this acreage is not producing gas from the non-unitized Jalmat formation. The acreage is surrounded and offset by Jalmat gas wells located in the SE/4SW/4 Sec. 29, NE/4NE/4 Sec. 31, NE/4NW/4 and SW/4NE/4 of Sec. 32, all in Township 24 South, Range 37 East.

It is our opinion this acreage is being drained of Jalmat gas by non-state and other State wells not under your lease.

Pursuant to the provisions of Chap. 7-11-14, N.M.S.A. 1953 Comp. you are hereby given thirty (30) days from this date to furnish this office with your plan of development to either drill, pay compensatory royalty or other positive action to protect Jalmat gas from being drained from this acreage. Failure to comply with this request will subject your lease to cancellation notice without further action.

Very truly yours,

PHIL R. LUCERO

COMMISSIONER OF PUBLIC LANDS

RAY D. GRAMAM, Director Oil and Gas Division Phone 505-827-2748

PRL/RDG/s

cc: Lease B-148-10



#### Union Texas Petroleum Division

1300 Wilco Building Midland, Texas 79701

February 17, 1978

CERTIFIED

TO: Offset Operators

(Mailing List Attached)

Re: Union Texas Petroleum's
State "A-32" Well #4
Unit Letter "F",
Section 32, T-24-S, R-37-E
Lea County, New Mexico

# Gentlemen:

In compliance with the State of New Mexico Oil Conservation Commission Rule 104, the attached is to notify you of our application for approval of an exception to the spacing provision and an application for approval of a non-standard gas proration unit for the subject well.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A. Post

Senior Production Analyst



February 17, 1978

Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240

Attention: Mr. J. T. Sexton

Re: Union Texas Petroleum Corporation's State "A-32" Well No. 4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

#### Gentlemen:

Attached is an "Application for Permit to Drill" the subject well. Also attached is a copy of the Application which we filed with the Oil Conservation Commission in Santa Fe, for an exception to the well spacing provisions of Rule 104 and a request for approval of a non-standard unit for this well.

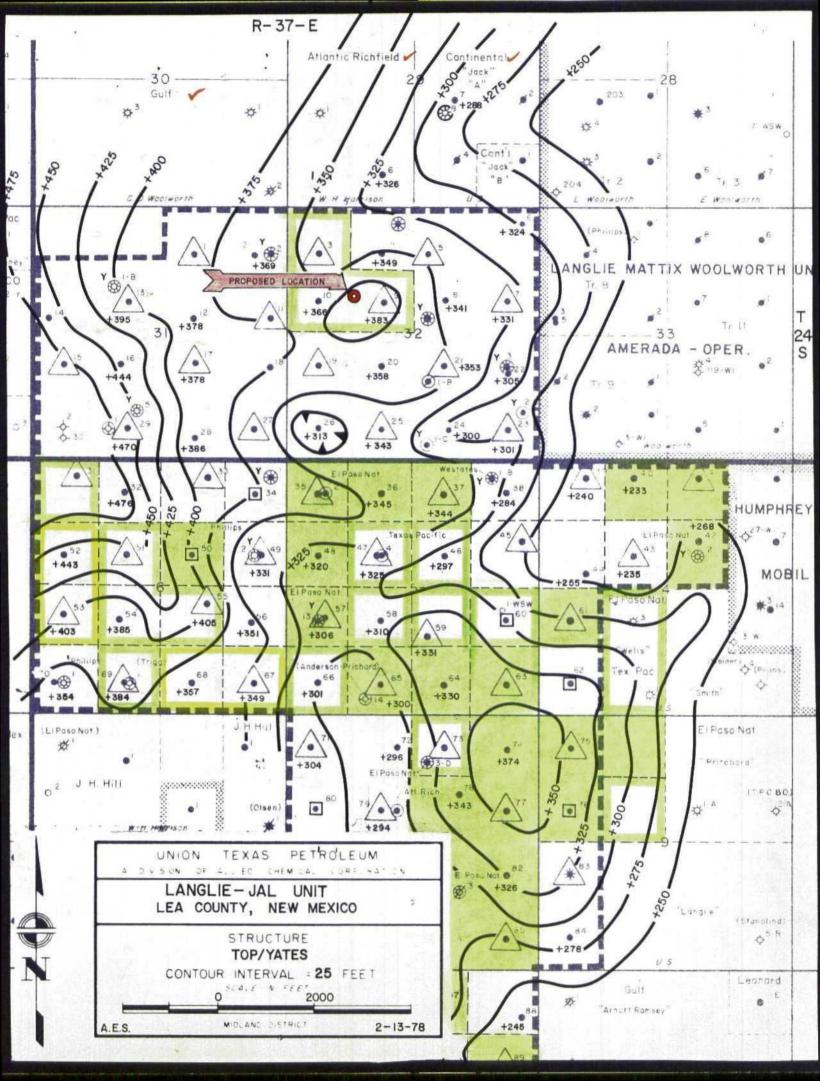
Should you need additional information in regard to this matter, please advise.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A Post

Senior Production Analyst



# STATE "A-32" #4 OFFSET OPERATORS

Gulf Energy & Minerals Conneeded
P. O. Box 1150
Midland, Texas 79702

Merde d

Reserve Oil & Gas 312 HBF Building Midland, Texas 79701

Getty Oil Co. P. O. Box 1231 Midland, Texas 79701

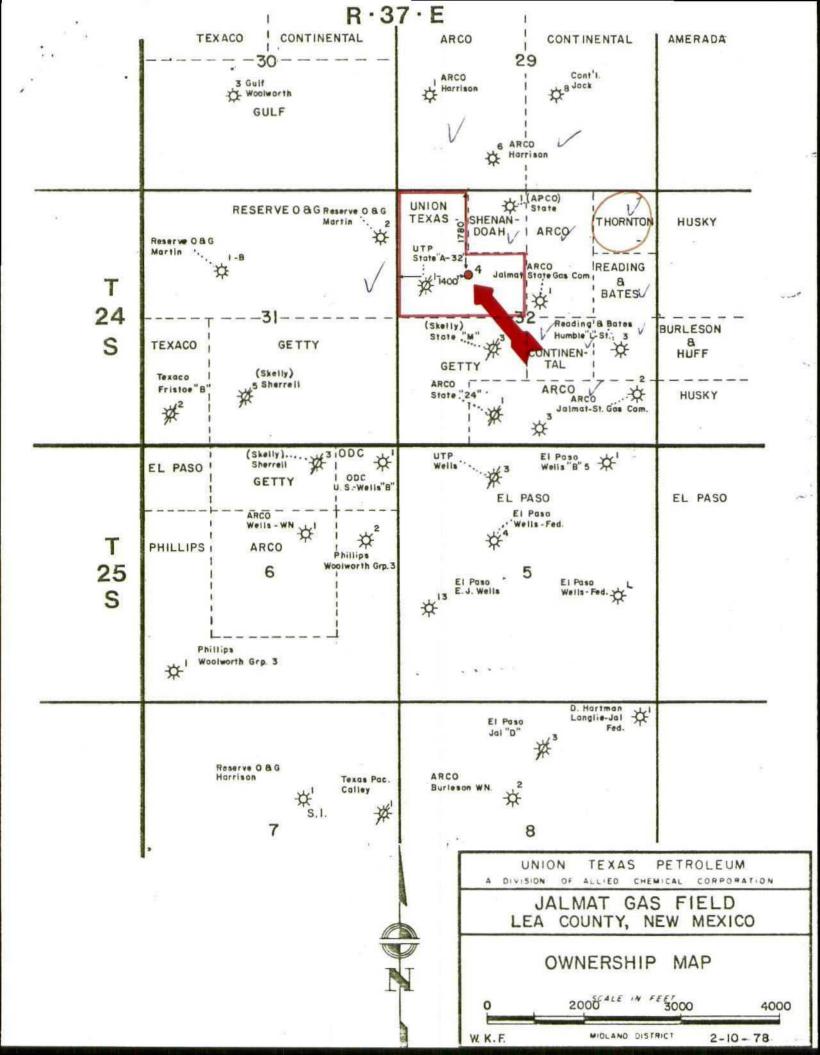
Continental Oil Co. P. O. Box 1959 Midland, Texas 79702

Atlantic Richfield Co. P. O. Box 1610 Midland, Texas 79702

Shenandoah 1500 Commerce Building Fort Worth, Texas 76102

Reading & Bates 810 North Dixie Blvd., Room 202 Odessa, Texas 79761

ThoRNTON



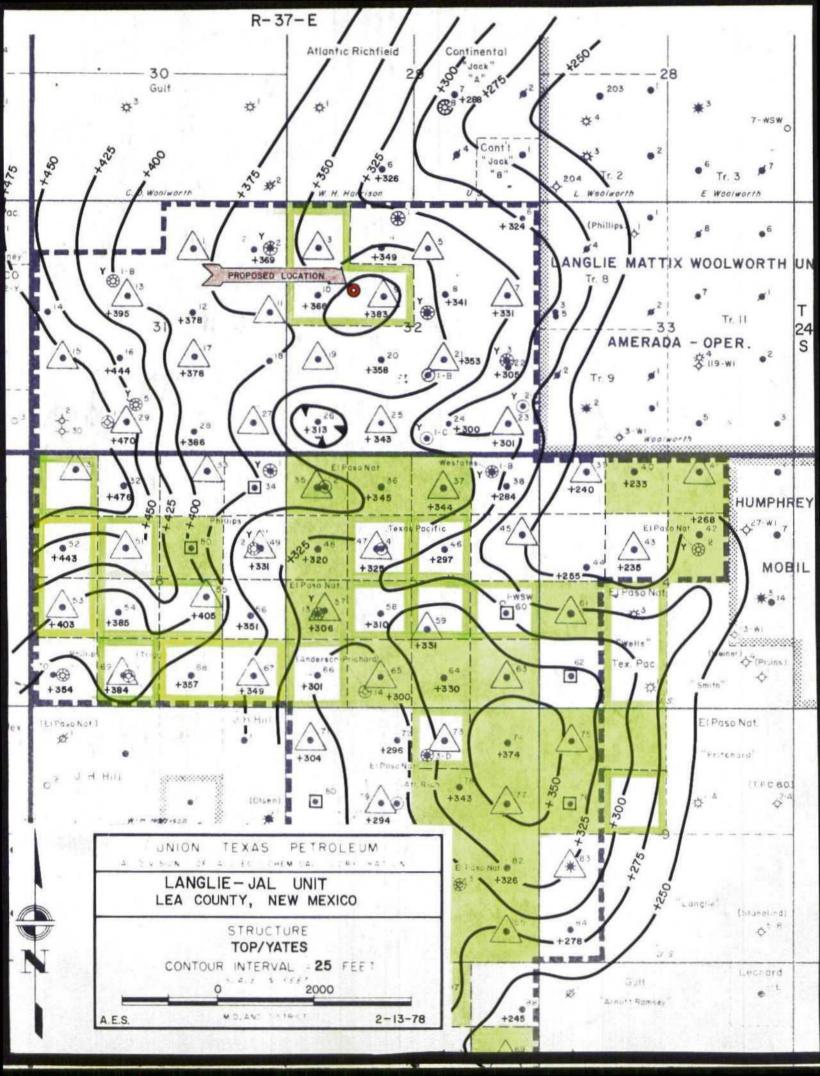
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DISTRIBUTION .	<del></del>					
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CONDITIONS OF APPROVAL, IF	ANYI	,				

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# NEW MEXICO OIL CONSERVATION COMMISSION - WELL LOCATION AND ACREAGE DEDICATION PLAT

Form (\*-1.5) Superseder (-128 Otto (vo. --6)

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1400				3			Sr. Prod. Analyst	TIM, GC
6	1			1			UNION TEXAS PETROL February 15, 1978	EUM CO
			i j				I hereby certify that the we shown on this plat was platted initial of actual surveys made under my supervision, and that is true and carrect to the be knowledge and belief	from field by me of the same
	) ) ) )				-(°-	1 10	Jan. 28, 1978	
	1			1			alin 1/1/1/2	+
					NAME OF TAXABLE PARTY.		ertificate No. John W West	





February 17, 1978

### CERTIFIED

TO: Offset Operators

(Mailing List Attached)

Re: Union Texas Petroleum's State "A-32" Well #4
Unit Letter "F",
Section 32, T-24-S, R-37-E
Lea County, New Mexico

#### Gentlemen:

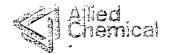
In compliance with the State of New Mexico Oil Conservation Commission Rule 104, the attached is to notify you of our application for approval of an exception to the spacing provision and an application for approval of a non-standard gas proration unit for the subject well.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A. Post

Senior Production Analyst



February 17, 1978

Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240

Attention: Mr. J. T. Sexton

Re: Union Texas Petroleum Corporation's State "A-32" Well No. 4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

#### Gentlemen:

Attached is an "Application for Permit to Drill" the subject well. Also attached is a copy of the Application which we filed with the Oil Conservation Commission in Santa Fe, for an exception to the well spacing provisions of Rule 104 and a request for approval of a non-standard unit for this well.

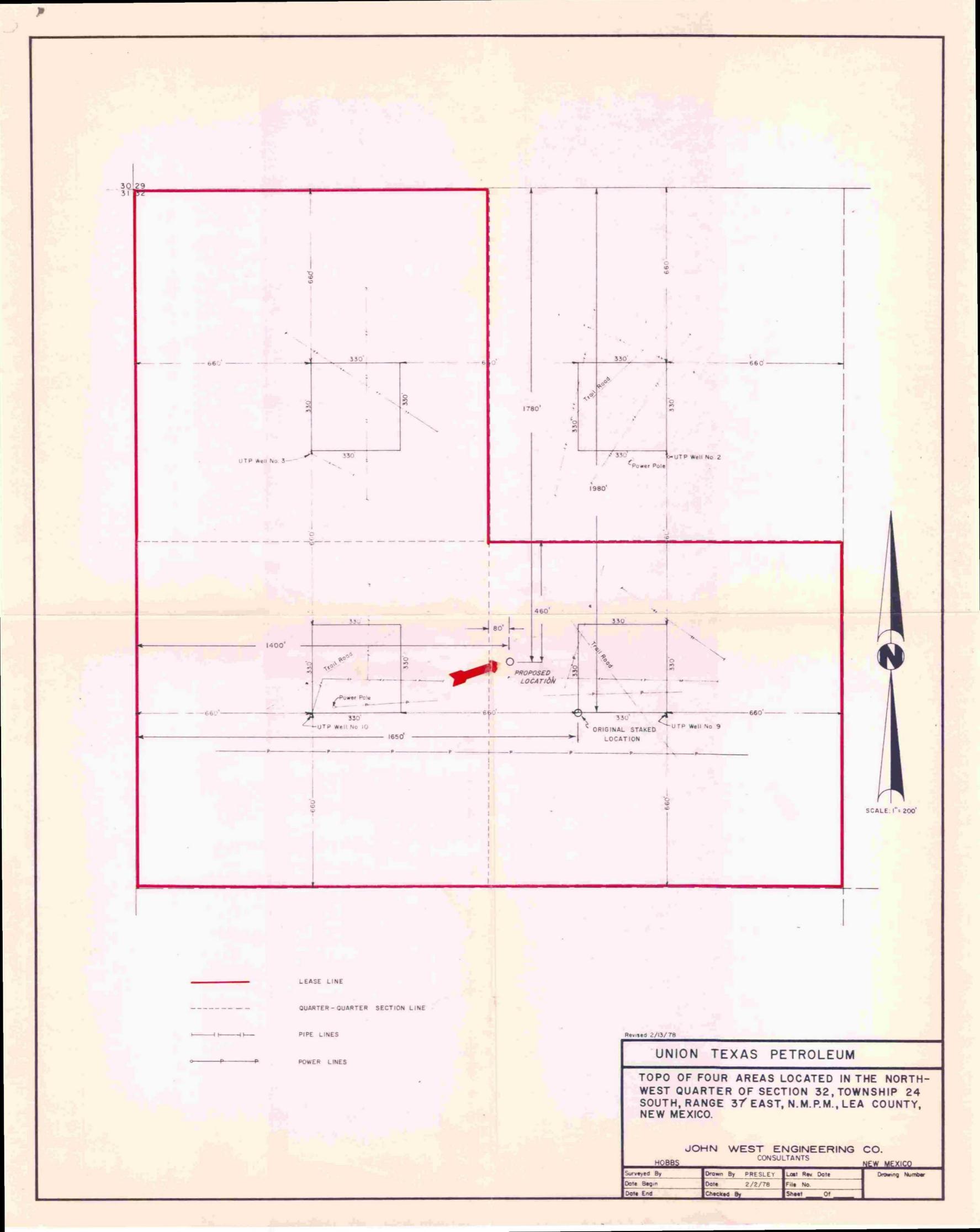
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UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A Post

Senior Production Analyst



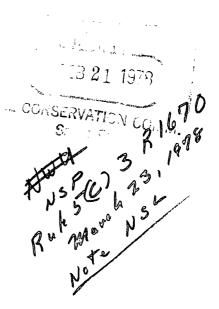


February 17, 1978

Oil Conservation Commission P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Re: Union Texas Petroleum Corporation's State "A-32" Well No. 4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico



#### Gentlemen:

Union Texas Petroleum respectfully request permission to drill the subject well as an exception to the well spacing provisions of Rule 104 (c) II and also request approval of a non-standard unit for the subject well.

A standard gas proration unit in the <u>Jalmat Gas Pool</u> is 640 acres. Union Texas is dedicating the following 120 acres to our non-standard proration unit:

NW/4 NW/4, S/2 NW/4
Section 32, T-24-S, R-37-E
Lea County, New Mexico

Union Texas Petroleum is in full agreement with the State of New Mexico Commissioner of Public Lands opinion that the subject acreage is being drained of Jalmat gas by non-state and other wells not under our lease. (Note Attached Letter).

The State "A-32" Well No. 4 was originally staked as a regular location 1980' FNL & 1650' FWL of Section 32. However, this location was between two power lines so it was moved and restaked at an irregular location 1780' FNL & 1400' FWL (Note Topo map of NW/4 of Section 32). The SE/4 of the NW/4 of Section 32 was selected as the optimum site for a Jalmat gas test for two reasons. First, as shown by the attached structure map drawn on top of the Yates, a location in the SE/4 of the NW/4 of Section 32 will have structural advantage over every other area within the 120 acre proration unit. Due to this structural advantage, the proposed location will recover reserves that cannot be produced from any other standard location in the unit. The second reason for selecting a location

in the SE/4 of the NW/4 of Section 32 is that this area has not incurred drainage of the magnitude that has occurred in other areas of the proration unit. A standard location in the SW/4 of the NW/4 of Section 32 is less desirable than the proposed location since drainage has resulted from the State "A-32" No. 1. This well produced 1270.9 MMCFG from the Jalmat zone prior to being recompleted in the Queen. The area for a standard location in the NW/4 of the NW/4 of Section 32 has incurred drainage from the Reserve Oil and Gas, Martin No. 2. This well is located in Section 31, only 330' from the west line of Section 32, and had produced 4723.0 MMCFG as of 7/1/77.

We would appreciate administrative handling of our application. However, if this should not be possible, please set it for hearing.

The following information is submitted in support of this request:

- 1. Form C-101.
- 2. Form C-102.
- 3. Copy of letter from Commissioner of Public Lands.
- 4. List of offset operators.
- 5. Location Plat.
- 6. Topo of four areas located in the NW/4 of Section 32.
- 7. Structure map on top of Yates.
- 8. Copy of certified letter to offset operators.

Should you need additional information, please contact me at your convenience.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A. Post

Senior Production Analyst

SAP/clw

Attachments



February 17, 1978

#### CERTIFIED

TO: Offset Operators

(Mailing List Attached)

Re: Union Texas Petroleum's
State "A-32" Well #4
Unit Letter "F",
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A. Post

Senior Production Analyst



February 17, 1978

Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240

Attention: Mr. J. T. Sexton

Re: Union Texas Petroleum Corporation's State "A-32" Well No. 4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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Should you need additional information in regard to this matter, please advise.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A Post

Senior Production Analyst

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

# Gentlemen:

We have been notified of Union Texas Petroleum Corporation's "Application For Approval of a non-standard Gas Proration Unit" and a request for exception to the spacing provisions for the subject well.

As an offset operator, we the undersigned have no objection to the granting of this application as filed.

вү	Gudra D. Cary
	District Production Tenager
DATE	3-9-18

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

B. J. Pankratz, Manager-Engineering
FOR Gulf Oil Corporation

DATE 3-6-78

# OIL CONSERVATION COMMISSION Hobbs DISTRICT

OIL CONSERVATION COMMISSION BOX 2088		DATE_	February	23,	1978
SANTA FE, NEW MEXICO		RE:	Proposed	MC	
•			Proposed	DHC	
			Proposed	NSL	X
			Proposed	SWD	
			_	NSP	Χ
				_	
Gentlemen:			·		
I have examined the applicati	on dated				
for the Union Texas Pet. Corp.	State A-32	#	44-F 32-24 <b>-</b> 37		24 <b>-</b> 37
	Lease and Well				S-T-R
and my recommendations are as foll 0.KJ.S.	ows:				
	<u></u>				
		Your	s very tr	uly,	

John w Trunyan - S.S.

CONSCRIVETE CO ....

hSP-1087

# CERTIFIED

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

#### Gentlemen:

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

BY Trust & Kyrjon

DATE 2/27/78

-00, <u>11978</u>

# CERTIFIED

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

# Gentlemen:

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

BY home Lygan

FOR Koading & Batos O. 14Gas Co.

DATE 2/27/18

The transfer for the policy

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

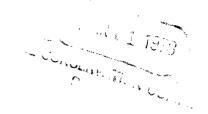
Re: Waiver of Objection Union Texas Petroleum Corporation's State "A-32" Well #4 Unit Letter "F" Section 32, T-24-S, R-37-E Lea County, New Mexico

# Gentlemen:

We have been notified of Union Texas Petroleum Corporation's "Application For Approval of a non-standard Gas Proration Unit" and a request for exception to the spacing provisions for the subject well.

As an offset operator, we the undersigned have no objection to the granting of this application as filed.

FOR LESENS CH. INC.
DATE FEB 27, 1978



Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

CONTINENTAL OIL COMPANY

E. L. OSHLO

Assistant Division Manager

Hobbs Division

DATE February 28, 1978





Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

BY\_\_\_

FOR ATLANTIC RICHFIELD COMPANY

DATE February 28, 1978

40 2 10 13

# CERTIFIED

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
Lea County, New Mexico

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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

BY Hawle & Buch FOR Shenandood Oil Congravation DATE 2/27/28



# Union Texas Petroleum Division

1300 Wilco Building Midland, Texas 79701

March 13, 1978

Dup liates

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamds

Re: Union Texas Petroleum State "A-32" Well #4 Lea County, New Mexico

#### Gentlemen:

In reference to our telephone conversation today, attached are xerox copies of the two waivers that you have not received.

If any additional information is needed concerning subject well, please advise.

Very truly yours,

UNION TEXAS PETROLEUM, A Division of Allied Chemical Corporation

Stanley A. Post

Senior Production Analyst

SAP:hb

Attachments

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
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By B. J. Punkratz, Manager-Engineering
FOR Gulf Oil Corporation

DATE 3-6-78

DIMENS OF COLL

Maria Maria Carried

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Waiver of Objection
Union Texas Petroleum Corporation's
State "A-32" Well #4
Unit Letter "F"
Section 32, T-24-S, R-37-E
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As an offset operator, we the undersigned have no objection to the granting of this application as filed.

BY Gulfrah Casy

FOR GETTY OIL COMPANY District Production Manager

DATE 3-9-78