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SHELL OIL COMPANY

Box 1957 Hobbs, New Mexico

May 14, 1954

Subject: Application for Unorthodox

Gas Proration Unit, Shell State (A-1118) Lease, Byers-Queen Gas Pool, Lea County, New Mexico

Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Shell Oil Company respectfully submits application for an unorthodox gas proration unit for its State A-1 well in the Byers-Queen Gas Pool. Further, it is requested that this matter be considered at the next regular statewide hearing on June 16, 1954.

The following data is offered in support of this application:

- l. Shell Oil Company is the owner and operator of the 80-acre State (A-1118) lease which includes the S/2 NE/4 of Section 32, T-18-S, R-38-E, Lea County, New Mexico, as shown on the attached plat.
- 2. Shell Oil Company proposes that the above described acreage be established as an unorthodox 80-acre gas proration unit in exception to Rule 7 (a) of Order R-376A.
- 3. Shell State A-1, located 2310 feet from the north line and 1650 feet from the east line of Section 32, T-18-S, R-38-E, Lea County, New Mexico, was completed as a single zone Byers-Queen gas well September 17, 1941.
- 4. No other Byers-Queen gas well is completed on the 80-acre proration unit proposed under this application.

Yours very truly,

W. E. Owen

Division Manager