

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

APPLICATION OF NEVILLE G. PENROSE,)
INC. FOR A NON-STANDARD GAS PRO-)
RATION UNIT CONSISTING OF THE $S\frac{1}{2}SE\frac{1}{4}$)
OF SECTION 7 AND THE $W\frac{1}{2}SW\frac{1}{4}$ SECTION 8,)
TOWNSHIP 21 SOUTH, RANGE 37 EAST,)
N.M.P.M. LEA COUNTY, NEW MEXICO)
EUMONT GAS POOL)

Case No. 564

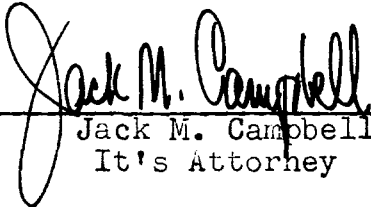
COMES NOW Neville G. Penrose, Inc., by its attorney,
and states to the Commission:

1. It is the owner of oil and gas leases covering the $S\frac{1}{2}SE\frac{1}{4}$ of Section 7, and the $W\frac{1}{2}SW\frac{1}{4}$ of Section 8, Township 21 South, Range 37 East, Lea County, New Mexico.
 2. There is a producing gas well designated as the Alves #3 situated in the $SE\frac{1}{4}SE\frac{1}{4}$ of said Section 7.
 3. All of the $S\frac{1}{2}SE\frac{1}{4}$ of Section 7 and the $W\frac{1}{2}SW\frac{1}{4}$ of Section 8 is productive of gas.
 4. The creation of a 160-acre gas proration unit consisting of the $S\frac{1}{2}SE\frac{1}{4}$ of said Section 7 and the $W\frac{1}{2}SW\frac{1}{4}$ of Section 8 is necessary to protect the correlative rights of applicant and to avoid the drilling of unnecessary wells.
 5. The $W\frac{1}{2}SW\frac{1}{4}$ of Section 8, being productive of gas in the Eumont Gas Pool, should be included in the defined limits of said Pool.
 6. A plat showing the location of the proposed unit and the gas well located thereon is attached hereto as Exhibit "A".
- WHEREFORE, Applicant respectfully prays for an order of this Commission as follows:
1. Extending the limits of the Eumont Gas Pool to such

extent as may be necessary to include therein the $W\frac{1}{2}SW\frac{1}{4}$ of Section 8, Township 21 South, Range 37 East.

2. Creating a non-standard gas proration unit consisting of the $S\frac{1}{2}SE\frac{1}{4}$ of Section 7 and the $W\frac{1}{2}SW\frac{1}{4}$ of Section 8, Township 21 South, Range 37 East, and creating a 160-acre gas proration unit allowable to said unit.

NEVILLE G. PENROSE, INC.

By _____
Jack M. Campbell,
It's Attorney