



TIDE WATER ASSOCIATED OIL COMPANY

POST OFFICE BOX 1404
HOUSTON 1, TEXAS

*Approved
T. S. F.
about 3/19/56*

February 20, 1956

Re: Application for 113.4-acre
Non-Standard Gas Proration Unit,
Eumont Gas Pool, Comprising
SW/4 SW/4 of Section 7, and the
N/2 NW/4 of Section 18, T-21-S,
R-37-E, Lea County, New Mexico.

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

Tide Water Associated Oil Company hereby makes application
for approval of a non-standard gas proration unit, comprising the -

SW/4 SW/4 of Section 7-21S-37E, and
N/2 NW/4 of Section 18-21S-37E,

and in support thereof states as follows:

1. Tide Water Associated Oil Company is the owner of State Oil and Gas Lease No. B-11,300, covering the NE/4 NW/4 of Section 18-21S-37E (40 acres), and is also the owner of State Lease No. E-1057, covering Lot 4 (SW/4 SW/4) of Section 7-21S-37E (36.69 acres).
2. El Paso Natural Gas Company is the owner of gas rights under State Lease No. B-1167, covering the NW/4 NW/4 of Section 18-21S-37E, (36.71 acres).
3. Tide Water Associated Oil Company and El Paso Natural Gas Company have, subject to the approval of the Oil Conservation Commission, agreed to communitize these three leases and to dedicate the acreage in same to a well which shall be designated Tide Water Associated Oil Company's State "AF" Well #1, the location of which shall be in the center of the NE/4 NW/4 of Section 18-21S-37E. *Proposed*
4. There are no wells on the proposed unit acreage which are completed within or producing from the vertical limits of the Eumont Gas Pool.
5. We have found it to be impractical to pool the SW/4 SW/4 of Section 7-21S-37E with other acreage within the Section to form a standard unit. Non-Standard units have previously been approved for acreage within Section 7-21S-37E as follows: F. J. Danglade, 157-acre unit, consisting of the S/2 NW/4 and E/2 SW/4; a 160-acre non-standard unit has been approved for Claude E. Aidman, comprised of the S/2 NE/4 and the N/2 SE/4; the S/2 SE/4 of Section 7 and the W/2 SW/4 of Section 8 has been approved as a non-standard 160-acre unit for Neville

G. Penrose, Inc. The NE/4 of Section 18, T-21-S, R-37-E, has been approved as a non-standard proration unit also for Neville G. Penrose, Inc.

6. The attached plat shows the location of the proposed unit, the proposed well, and the surrounding tracts. All of the acreage in the proposed unit is within the horizontal limits of the Eumont Gas Pool, and is reasonably presumed to be productive of gas from that Pool.

7. Tide Water Associated Oil Company and El Paso Natural Gas Company will be deprived of a fair opportunity to recover their just and equitable share of the natural gas in the Eumont Gas Pool unless the proposed non-standard proration unit is formed, and unless the acreage therein is assigned to Tide Water Associated Oil Company's proposed State "AF" Well #1.

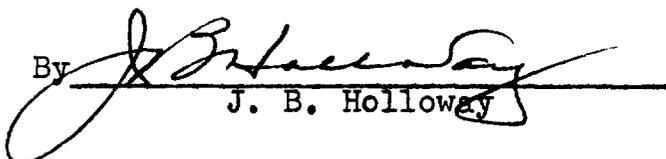
8. The creation of the proposed non-standard proration unit and the assignment of the acreage therein to the above mentioned well is in the interest of conservation and will protect correlative rights.

Therefore, applicant respectfully requests that this matter be set down for hearing before an Examiner at an early date in the City of Santa Fe, New Mexico, and after said hearing, the Commission enter its order establishing a non-standard proration unit in the manner proposed herein.

Respectfully submitted,

TIDE WATER ASSOCIATED OIL COMPANY

JBH:vh
Enclosure

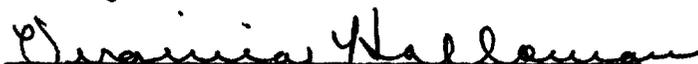
By 
J. B. Holloway

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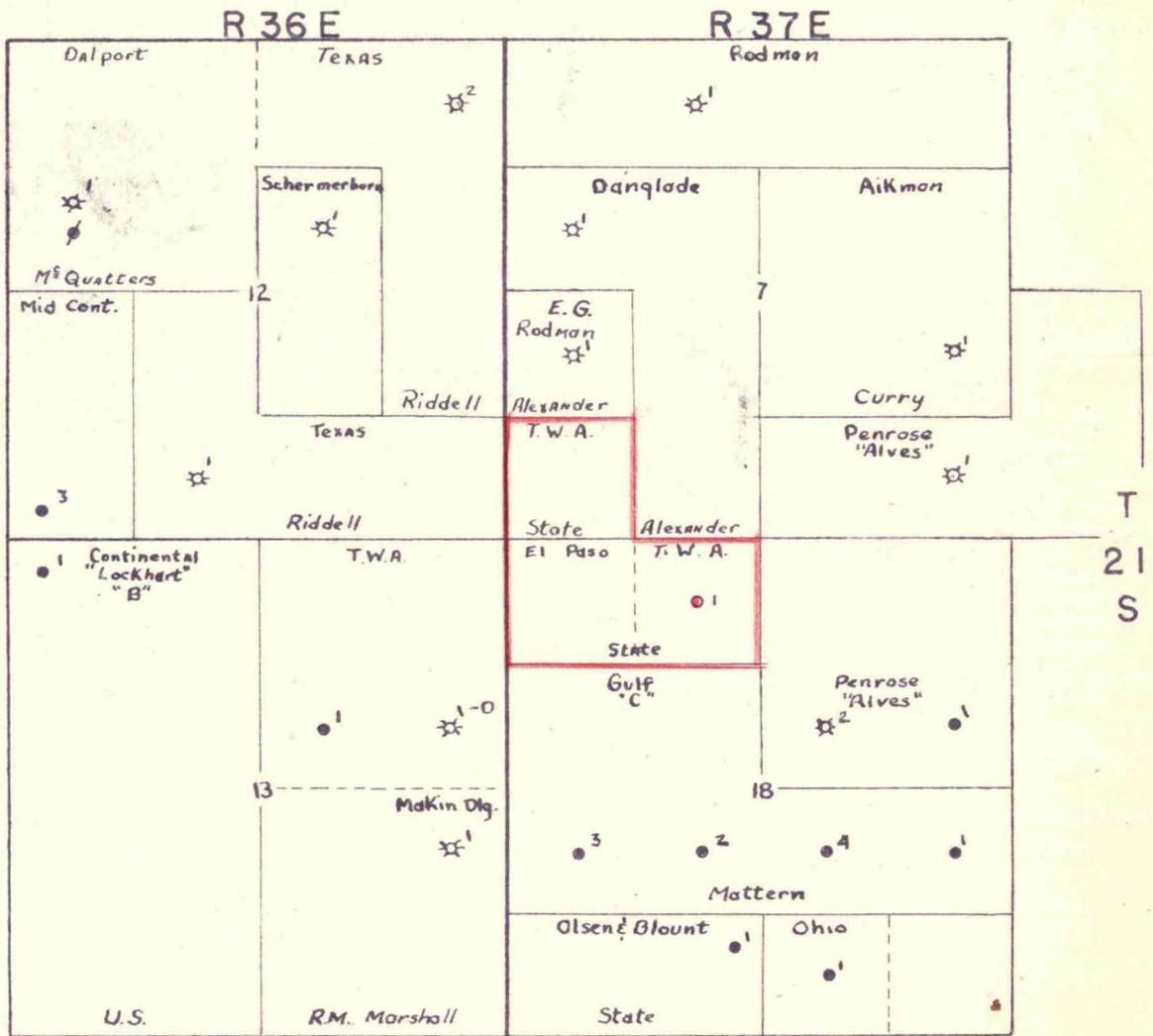
STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared J. B. Holloway, known to me to be the person whose name is subscribed to the above application, who, being by me duly sworn on oath, states that he is duly authorized to make the above application, and that he has knowledge of the facts stated therein, and that said application is true and correct to the best of his knowledge and belief.

Subscribed and sworn to before me this the 20 day of February, 1956.


Notary Public in and for Harris
County, Texas

VIRGINIA HOLLOMAN
Notary Public in and for Harris County, Texas



EUMONT & PENROSE - SKELLY
FIELDS
21S - 36 & 37 E
LEA CO. - NEW MEXICO
1" = 2000'