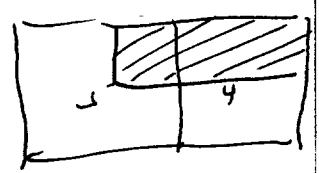


GILBERT. WHITE AND GILBERT  
ATTORNEYS AT LAW  
SANTA FE, NEW MEXICO

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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION OF TEXACO )  
INC. FOR AN ORDER GRANTING APPROVAL OF AN )  
EXCEPTION TO THE SPECIAL RULES AND REGULATIONS )  
OF THE JALMAT GAS POOL AS SET FORTH IN RULE 5 )  
OF ORDER NO. R-520 FOR THE ESTABLISHMENT OF A )  
NON-STANDARD GAS PRORATION UNIT OF 476 CON- )  
TIGUOUS ACRES CONSISTING OF THE NE $\frac{1}{4}$  OF SECTION )  
5 AND THE N $\frac{1}{2}$  OF SECTION 4, TOWNSHIP 24 SOUTH, )  
RANGE 37E, LEA COUNTY, NEW MEXICO. )

CASE NO 1952

A P P L I C A T I O N

Comes now the applicant, Texaco Inc. and respectfully states:

1. That it is the owner and operator of its E. D. Fanning lease consisting of 476 acres comprising the NE $\frac{1}{4}$  Section 5 and the N $\frac{1}{2}$  of Section 4 in Township 24 South, Range 37 East, Lea County, New Mexico.

2. Applicant is preparing to drill its E. D. Fanning well No. 6 to be located 660 feet from the North line and 660 feet from the West line of said Section 4. Applicant has projected the well to be completed as a dual producer in the Jalmat (gas) and Ianglie-Mattix (oil) pools.

3. It is proposed to assign the entire 476 acres to the Jalmat gas production obtained from the E. D. Fanning well No. 6.

4. The said proposed unit will consist of contiguous quarter-quarter sections, but will constitute a non-standard gas proration unit in that it will cross a governmental section line, the unit will be in excess of 5,280 feet in length and the well will be located closer than 1,980 feet to one of the tracts boundaries.

5. That the entire proposed non-standard gas proration unit may reasonably be presumed to be productive of gas from the Jalmat gas pool.

6. That attached hereto as Exhibit "A" and made a part hereof

*Handwritten signatures and notes at the bottom left of the page.*

1 by reference is a plat showing the area covered by this application the  
2 location of all wells drilled or drilling in the area, together with the  
3 name of all the offset operators.

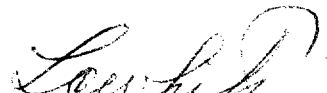
4 7. That approval of the non-standard gas proration unit as  
5 herein outlined will not cause waste nor impair correlative rights but  
6 will permit applicant the opportunity to reasonably recover its just  
7 and equitable share of the natural gas in the Jalmat gas pool.

8 WHEREFORE, applicant prays this application be set for hearing  
9 before an examiner during the month of April; that notice thereof be  
10 given as required by law; and that upon the evidence produced that the  
11 Commission issue an Order for the establishment of a non-standard pro-  
12 ration unit as herein requested.

13 TEXACO INC.

14 By GILBERT, WHITE AND GILBERT

15  
16 By



L. C. White  
P. O. Box 787  
Santa Fe, New Mexico