

THE OHIO OIL COMPANY

NSP-231

Due 2/12/56

P.O. Box 552

Midland, Texas

January 9, 1956

Re: Non-Standard Gas Proration Unit
W/2 of E/2 of Section 28, Town-
ship 19 South, Range 37 East,
Rumont Gas Pool

Mr. W. B. Macey, Secretary
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Ohio State D #1

W/2 E/2 Sec 28 - 19S - 37E

160 Acres

Dear Sir:

The Ohio Oil Company respectfully requests that you grant this application for the designation and formation of a 160 acre non-standard gas proration unit consisting of the W/2 of the E/2 of Section 28, Township 19 South, Range 37 East, Rumont Gas Pool, Lea County, New Mexico.

By your Administrative Order NSP-142, dated June 8, 1955, you approved a 120 acre non-standard gas proration unit in the Rumont Gas Pool, consisting of the W/2 SE/4 and the SW/4 NE/4 of said Section 28. The Ohio owned and still owns the oil and gas leasehold estate on the acreage in that 120 acre unit. Anderson-Prichard Oil Corporation owns the oil and gas leasehold estate in the NW/4 of the NE/4 of said Section 28. The gas well heretofore completed in and presently producing from the Rumont Gas Pool and known as State "A" 3071-D Well No. 1 is located on the Ohio's acreage at a point 1980' from the SE and 660' from the NE of the proposed unit. A communitization agreement covering the gas and liquid hydrocarbons producible from the Tansill, Yates, Seven Rivers and Queen formations underlying the 160 acres described above has been submitted to the United States Geological Survey office at Roswell, New Mexico, and to the office of the State Land Commissioner of New Mexico, and has been informally approved by both of those offices. The communitization agreement and an operating agreement have been executed by Anderson-Prichard Oil Corporation and approved for execution by The Ohio Oil Company. A copy of the communitization agreement is attached to the original of this application.

All acreage included in the proposed 160 acre unit is within the limits of the Rumont Gas Pool and is reasonably presumed to be productive of gas from that pool. It is impractical to pool the 160 acres with adjoining acreage, and unless the proposed proration unit is formed pursuant to the terms and provisions of the communitization agreement, the parties will be deprived of a fair opportunity to recover their respective just and equitable shares of the natural gas in the Rumont Gas Pool. The formation of the proposed proration unit will protect correlative rights and will not cause but will prevent waste.

