

Case No.

751

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Application, Transcript,  
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 11, 1954

Mr. J. O. Terrell Couch  
Legal Department  
The Ohio Oil Company  
Box 3128  
HOUSTON, TEXAS

Dear Sir:

We enclose copy of Order No. R-534 issued in Case No. 751,  
which was heard by this Commission on August 18 upon your  
company's application.

OIL CONSERVATION COMMISSION

By

WEM:jnr

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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF CON-  
SIDERING:

CASE NO. 751  
ORDER NO. R-534

THE APPLICATION OF THE OHIO OIL  
COMPANY FOR AN ORDER GRANTING  
APPROVAL OF AN EXCEPTION PURSUANT  
TO RULE 7 (a) OF ORDER NO. R-370-A IN  
ESTABLISHMENT OF AN UNORTHODOX GAS  
PRORATION UNIT OF 80 CONTIGUOUS ACRES  
CONSISTING OF THE E/2 SW/4 OF SECTION 26,  
TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM,  
LEA COUNTY, NEW MEXICO IN WHAT IS NOW  
DELINEATED AS THE EUMONT GAS POOL UNDER  
THE PROVISIONS OF ORDER R-520; AND FOR  
APPROVAL OF RECOMPLETION OF THE OHIO  
OIL COMPANY'S STATE McGRAIL WELL NO. 1  
IN SAID UNIT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on August 18, 1954,  
at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-  
after referred to as the "Commission".

NOW, on this *4<sup>th</sup>* day of October, 1954, the Commission, a quorum  
being present, having considered the records and testimony adduced, and being  
fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose  
thereof having been given as required by law, the Commission has jurisdiction  
of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-370-A  
and Order R-520, the Commission has power and authority to permit the form-  
ation of a gas proration unit consisting of other than a legal quarter section  
after notice and hearing by the Commission.

(3) That applicant, The Ohio Oil Company, is the owner of an oil and  
gas lease in Lea County, New Mexico the land consisting of other than a legal  
quarter section, and described as follows, to-wit:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM  
E/2 SW/4 of Section 26

containing 80 acres, more or less.

(4) That applicant, The Ohio Oil Company, has a well on the aforesaid lease known as the State McGrail No. 1 located 660' from the South line and 1980' from the West line of Section 26, Township 19 South, Range 36 East.

(5) That the aforesaid well was completed as an oil well in the Eunice-Monument Oil Pool and was in production prior to January 1, 1954, the effective date of Order No. R-370-A, and authority is sought to recomplete the well within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool; that recompletion of the said well in the Eumont Gas Pool will be in the interests of conservation and the prevention of economic waste.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the SW/4 Section 26, Township 19 South, Range 36 East and that the owners of adjoining acreage in said quarter section have not objected to the formation of the proposed proration unit of 80 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Ohio Oil Company for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM  
E/2 SW/4 of Section 26

is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created and approved.

(2) That the applicant be and it is hereby given permission to recomplete its State McGrail Well No. 1 in the Eumont Gas Pool.

(3) That applicant's well, State McGrail Well No. 1 located in the SE/4 SW/4 of Section 26, Township 19 South, Range 36 East, NMPM, shall be granted an allowable in the proportion that the above described 80 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Mechem*  
EDWIN L. MECHEM, Chairman

*E. S. Walker*  
E. S. WALKER, Member

*W. B. Macey*  
W. B. MACEY, Secretary and Member

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 751

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
Santa Fe, New Mexico

August 18, 1954.

IN THE MATTER OF:

Application of Ohio Oil Company for un-  
orthodox gas proration unit in Eumont  
Gas Pool: E/2 SW/4 Section 26, Town-  
ship 19 South, Range 36 East, Lea County;  
and for approval of recompletion of its  
State McGrail Well No. 1 in said unit.

Case No. 751

TRANSCRIPT OF HEARING

MR. COUCH: Terrill Couch, with the Ohio Oil Company.

D. K. SPELLMAN, J. R.

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. COUCH:

Q Please state your name. A D. K. Spellman, Jr.

Q You are employed by the Ohio Oil Company?

A Yes.

Q In what capacity?

A District Petroleum Engineer in Midland, Texas.

Q That includes the area in Lea County, does it?

A Yes.

Q Mr. Spellman, have you previously testified before the  
Commission? A Yes, sir.

Q Your qualification as a Petroleum Engineer are of record  
in other proceedings here? A Yes.

MR. COUCH: We refer to the proceedings for the qualification.

MR. HANLEY: No objection to Mr. Hanley's qualifications.

Q In connection with your duties, are you acquainted with the operations of the Ohio on the east half of the northwest quarter, Section 26, of T2S Range, 36 East 1 North?

A Yes, sir.

Q Are you acquainted with the fact that the Ohio has filed application for the designation of that 80 acre tract as a non-standard gas proration unit?

A Yes, sir.

Q Within the Sumont Gas Pool? A Yes, sir.

Q Also that application, Mr. Spellman, sought the approval of recompleting the State McGrail Well No. 1 on that tract?

A That is correct.

Q In that connection, was there a Form G102 filed seeking, notifying the Commission of the desire to recomplete that well in the Sumont Gas Pool?

A Form G102 was filed with the Hobbs Office of the Commission by the Ohio Oil Company's Hobbs office on June 23, 1954 and was approved June 24, 1954.

Q Would you state for the record the nature of the proposed recompletion work?

A Consisted primarily of plugging off the Grayburg pay which is the Monument Pool pay and by bridge plug and squeeze operations, and then reperforating the production string in the productive zones chosen in the Sumont Gas pays.

Q The offset operators to this 80 acre tract we have been discussing, all have been furnished a copy of the application filed in this case, is that correct? A That is correct.

MR. COUCH: We have received waivers signed by the Amerada, Gulf,

and Continental in this connection, which we submit to the Commission for the record in this case. A copy of this application was also sent to Sun Oil?

A Yes, sir, at the same time that the others were distributed out of our office on June 28, 1954.

Q You have heard nothing from the Sun Oil Company with respect to that notice?

A We did not receive the waiver back. However, we also did not receive any evidence of opposition to our application.

Q Mr. Spellman, in your opinion, is it impractical to pool the Ohio's 80 acres in leasehold estates with adjoining acres so as to form a standard proration unit?

A That is what we so consider.

Q Do you think that the 80 acres is reasonably productive of gas from the Eumont Gas Pool?

A Yes, sir.

Q If approval, recompletion and designation of the non-standard unit is not approved, then the Ohio would be deprived of its opportunity to recover its fair share of the gas from that pool?

A Yes, sir.

Q You think that it will protect correlative rights and will not result in waste to designate this non-standard unit and to approve this recompletion?

A Yes.

MR. COUCH: I call to the Commission's attention as indicated by the plat attached as Exhibit A, the fact that the proration unit of 160 acres immediately to the north has previously been granted, and the way the leasehold estates are segregated as shown by that plat, and request that the application of Ohio be granted as sought. We have no further evidence.

MR. MACKEY: Any questions of the witness?

Take it that you notified the people within the section or within the area?

MR. COUCH: According to the records of the Ohio, notice was given to all offset operators as far as our records show. Those offset operators being the ones indicated here. Referring to the plat, notice was sent to Continental, the Amerada, the Gulf, and Sun. Sun is in Section 35 immediately to the south and adjoining. Notice was furnished to them also. I think no notice was sent to the Texas Company. They apparently hold the leasehold estate on the east half of the northeast quarter of Section 26 which is some distance from this acreage involved.

Of course, the case was advertised and published.

MR. MACKEY: Were these offered as Exhibits?

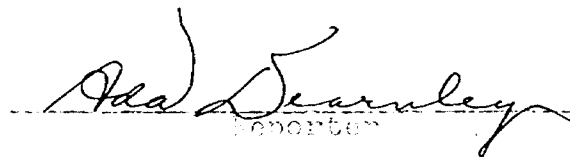
MR. COUCH: I offer them as Exhibits.

(Marked Ohio's Exhibits  
for identification.)

MR. MACKEY: Is there any objection to the receipt of the Exhibits in evidence? If no questions of the witness, he may be excused. The case will be taken under advisement.

#### C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case No. 751, were taken by me on August 18, 1954, that the same is a true and correct record to the best of my knowledge, skill and ability.

  
Reporter

ADA DEARNLEY & ASSOCIATES  
STENOGRAPHIC REPORTERS  
ROOM 105-106-107 EL CORTEZ BLDG.  
PHONES 7-9645 AND 5-9546  
ALBUQUERQUE, NEW MEXICO



OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

July 12, 1954

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Mr. J. O. Terrell Couch  
Legal Department  
The Ohio Oil Company  
Box 3128  
Houston, Texas

Dear Sir:

Subject: Cases Nos. 751 and 752

Reference is made to our telephone conversation of this morning pertaining to the advertisements on the two above captioned cases which originally were set for hearing on July 21, 1954. As you pointed out to me this morning, your applications pertain not only to the formation of an unorthodox gas proration unit but also to the recompletion of a well. Since the provisions of Rule 2 of the Pool rules in the Eumont Pool must be complied with, it will be necessary for us to readvertise the cases.

We have examined the applications which you have submitted and have no objection whatsoever to their approval. Unless you advise us otherwise, the cases will be readvertised for August 18th. It is entirely possible that we may not be able to have a hearing on these cases prior to August 18th depending of course upon the commitments of the other Commissioners.

Very truly yours,

W. B. Macey  
Chief Engineer

WBM:vc

They were notified of  
Proposed leaving the  
Isle of Jule (C)  
(See 1847 - July 21)

MAIN OFFICE 900  
1954 JUL 3 AM 9:38  
*The Ohio Oil Co.*  
Legal Department

*W. Hume Everett*  
*Thomas H. McElroy*  
*J. O. Terrell Couch*  
*Attorneys*

July 6, 1954

*P. O. Box 3128*  
*Houston, Texas*

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

Attention: Mr. R. R. Spurrier

Gentlemen:

By letter of June 24 we transmitted to you two applications for approval of recompletion of wells and for the establishment of non-standard proration units in the Eumont Gas Pool. One of said applications related to our W. H. Laughlin Well No. 4 and the other application related to our State McGrail Well No. 1.

We had requested that, if possible, the cases be set for hearing on July 15. We have just received the docket sheet for that regular hearing and find the cases not set on that date.

Please advise whether our letter of June 24 and enclosures reached you, and, if so, kindly acknowledge receipt and filing of the applications and advise us when publication was had and when the cases are set for hearing.

We will greatly appreciate your prompt attention to this inquiry and request.

Very truly yours,

*J. O. Terrell Couch*  
J. O. Terrell Couch

TC:MK

*They were not filed /  
of the hearing to  
be held / July 15, 1954  
at 1:00 PM - they are*

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Gentlemen:

Case No. 751: The Application of The Ohio Oil Company for Formation of Non-Standard Proration Unit in Eumont Gas Pool, Lea County, New Mexico, and for Approval of Recompletion of The Ohio Oil Company's State McGrail Well No. 1 in said Unit.

The Ohio Oil Company hereby applies for the designation and formation of a non-standard gas proration unit consisting of the E/2 of the SW/4 of Section 26, Township 19 South, Range 36 East, in the Eumont Gas Pool, Lea County, New Mexico, and The Ohio also seeks approval for recompletion of its State McGrail Well No. 1 in said unit. In support of this Application, The Ohio would show to this Commission the following:

1. The Ohio Oil Company is the owner of the oil and gas leasehold estate on the above described tract of land, which tract contains 80 acres, more or less. Said tract should be considered as containing 80 acres for the purpose of allocation of gas allowable in said pool.

2. The Ohio's State McGrail Well No. 1 was heretofore completed in the Monument Oil Pool in the SE/4 of the SW/4 of said Section 26, at a location 660 feet from the West line and 660 feet from the South line of the proposed non-standard gas proration unit. The Ohio has heretofore filed with this Commission, under date of June 23, 1954, The Ohio's notice of intention to convert said well into a gas well in the Eumont Gas Pool by plugging off the former producing formation and by perforating approximately 200 feet in the Yates, Seven Rivers and Queens formations.

3. The attached plat indicates the location of the proposed unit and the location of the surrounding tracts. The area included in the proposed unit is indicated on said plat by the diagonal lines shown thereon.

4. Adjoining the proposed non-standard gas proration unit and indicated on the plat by the heavy dash line, is the non-standard gas proration unit consisting of the E/2 NW/4 and the W/2 NE/4 of said Section 26, which unit was heretofore formed in the Eumont Gas Pool by Order No. R-439 entered April 16, 1954, by this Commission, pursuant to the Application of Amerada Petroleum Corporation in Case No. 650. No objection was made to the

formation of said adjoining non-standard unit by any of the adjoining operators. Ohio consented to the formation of said adjoining unit upon the understanding that the adjoining operators would have no objection to the formation of the non-standard unit herein applied for.

5. According to The Ohio's records, the operators on the adjoining tracts are as follows: Amerada Petroleum Corporation, Continental Oil Company, Sun Oil Company, and Gulf Oil Corporation. Each of said operators is being furnished with a copy of this Application and is thereby notified of the filing of same and requested to give written consent to the granting of this Application. Such written consents as are obtained will be presented at the hearing.

6. The Ohio further states that:

(a) The location of said well as recompleted is within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool;

(b) It is impractical to pool The Ohio's said leasehold estate with adjoining acreage so as to form a standard gas proration unit;

(c) The Ohio will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool, unless the recompletion of such well is approved and the non-standard proration unit is formed, considered as containing 80 acres and consisting of the E/2 of the SW/4 of said Section 26;

(d) The creation of a proration unit consisting of the afore-said acreage and the approval of such recompletion will not result in waste, will protect correlative rights and are necessary to prevent confiscation of The Ohio's property.

The Ohio Oil Company therefore respectfully requests that a time be set for hearing on this Application at the earliest practicable date; that notice of this Application and of such hearing be issued and served immediately by publication in accordance with the Rules and Regulations of this Commission as provided by law, and that on such hearing the recomple-

tion of said well be approved and the said non-standard proration unit sought hereby be formed and designated as containing 80 acres for the purpose of allocation of gas allowable in said field.

Respectfully submitted,

THE OHIO OIL COMPANY

By W. H. Everett  
W. H. Everett, Attorney

J. O. Terrell Couch  
J. O. Terrell Couch, Attorney

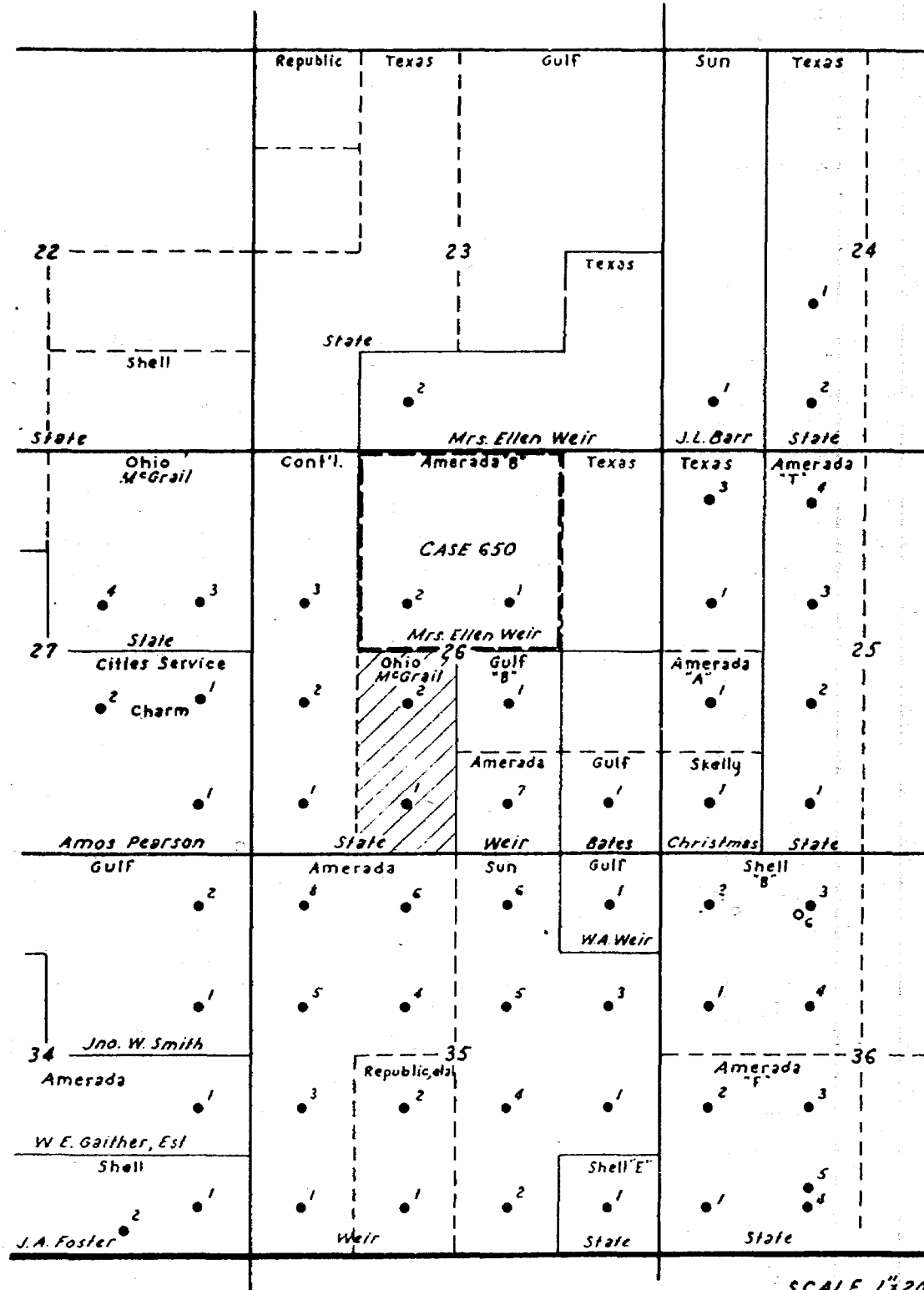
P. O. Box 3128  
Houston 1, Texas

The undersigned acknowledges receipt of a copy of the foregoing Application and as an operator on adjoining acreage the undersigned waives further notice and hearing and consents to the granting of this Application.

Signed this \_\_\_\_ day of \_\_\_\_\_, 1954.

\_\_\_\_\_  
By \_\_\_\_\_

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PLAT OF OHIO'S APPLICATION FOR  
UNORTHODOX GAS PRORATION UNIT  
FOR E 1/2 OF SW 1/4 26-19-36

SCALE 1"=2000'



NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following special public hearings to be held at 9 o'clock a.m. on July 21, 1954, Mabry Hall, State Capitol, Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons  
having any right, title, interest  
or claim in the following case,  
and notice to the public.

*CP*  
CASE 697: (Readvertisement)

*fluent copy*  
In the matter of the application of Lowry et al Operating Account for the approval and extension of its pilot pressure maintenance program in the South Blanco-Tocito Pool, Rio Arriba County, New Mexico, and for permission to gauge oil at a common tank battery.

Applicant, in the above-styled cause, seeks an order authorizing the extension of its pilot pressure maintenance program in the South Blanco-Tocito Pool, Rio Arriba County, New Mexico, as originally granted in Order R-349 issued in Case 555, by the addition of wells to be utilized for water-injection purposes, and by increasing the amount of water to be injected. Applicant also seeks authority to gauge oil at a common tank battery.

*CP*  
CASE 751:

*fluent copy*  
In the matter of the application of The Ohio Oil Company for unorthodox gas proration unit.

Applicant, in the above-styled cause, seeks an order authorizing the formation of an 80-acre unorthodox gas proration unit pursuant to provisions of Rule 7(a) of Order R-370-A and consisting of E/2 SW/4 of Section 26, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, in the Rumont Gas Pool.

*CP*  
CASE 752:

*fluent copy*  
In the matter of the application of The Ohio Oil Company for unorthodox gas proration unit.

Applicant, in the above-styled cause, seeks an order authorizing the formation of a 160-acre unorthodox gas proration unit pursuant to provisions of Rule 7(a) of Order R-370-A and consisting of S/2 N/2 of Section 9, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, in the Rumont Gas Pool.

GIVEN under the seal of the Oil Conservation Commission of New Mexico at Santa Fe, New Mexico, this 6th day of July, 1954.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

R. R. SPURRIER,  
Secretary

S E A L

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Gentlemen:

751  
Case No. \_\_\_\_\_: The Application of The Ohio Oil Company for Formation of Non-Standard Proration Unit in Eumont Gas Pool, Lea County, New Mexico, and for Approval of Recompletion of The Ohio Oil Company's State McGrail Well No. 1 in said Unit.

The Ohio Oil Company hereby applies for the designation and formation of a non-standard gas proration unit consisting of the E/2 of the SW/4 of Section 26, Township 19 South, Range 36 East, in the Eumont Gas Pool, Lea County, New Mexico, and The Ohio also seeks approval for recompletion of its State McGrail Well No. 1 in said unit. In support of this Application, The Ohio would show to this Commission the following:

1. The Ohio Oil Company is the owner of the oil and gas leasehold estate on the above described tract of land, which tract contains 80 acres, more or less. Said tract should be considered as containing 80 acres for the purpose of allocation of gas allowable in said pool.

2. The Ohio's State McGrail Well No. 1 was heretofore completed in the Monument Oil Pool in the SE/4 of the SW/4 of said Section 26, at a location 660 feet from the West line and 660 feet from the South line of the proposed non-standard gas proration unit. The Ohio has heretofore filed with this Commission, under date of June 23, 1954, The Ohio's notice of intention to convert said well into a gas well in the Eumont Gas Pool by plugging off the former producing formation and by perforating approximately 200 feet in the Yates, Seven Rivers and Queens formations.

3. The attached plat indicates the location of the proposed unit and the location of the surrounding tracts. The area included in the proposed unit is indicated on said plat by the diagonal lines shown thereon.

4. Adjoining the proposed non-standard gas proration unit and indicated on the plat by the heavy dash line, is the non-standard gas proration unit consisting of the E/2 NW/4 and the W/2 NE/4 of said Section 26, which unit was heretofore formed in the Eumont Gas Pool by Order No. R-439 entered April 16, 1954, by this Commission, pursuant to the Application of Amerada Petroleum Corporation in Case No. 650. No objection was made to the

formation of said adjoining non-standard unit by any of the adjoining operators. Ohio consented to the formation of said adjoining unit upon the understanding that the adjoining operators would have no objection to the formation of the non-standard unit herein applied for.

5. According to The Ohio's records, the operators on the adjoining tracts are as follows: Amerada Petroleum Corporation, Continental Oil Company, Sun Oil Company, and Gulf Oil Corporation. Each of said operators is being furnished with a copy of this Application and is thereby notified of the filing of same and requested to give written consent to the granting of this Application. Such written consents as are obtained will be presented at the hearing.

6. The Ohio further states that:

(a) The location of said well as recompleted is within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool;

(b) It is impractical to pool The Ohio's said leasehold estate with adjoining acreage so as to form a standard gas proration unit;

(c) The Ohio will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool, unless the recompletion of such well is approved and the non-standard proration unit is formed, considered as containing 80 acres and consisting of the E/2 of the SW/4 of said Section 26;

(d) The creation of a proration unit consisting of the afore-said acreage and the approval of such recompletion will not result in waste, will protect correlative rights and are necessary to prevent confiscation of The Ohio's property.

The Ohio Oil Company therefore respectfully requests that a time be set for hearing on this Application at the earliest practicable date; that notice of this Application and of such hearing be issued and served immediately by publication in accordance with the Rules and Regulations of this Commission as provided by law, and that on such hearing the recomple-

tion of said well be approved and the said non-standard proration unit sought hereby be formed and designated as containing 80 acres for the purpose of allocation of gas allowable in said field.

Respectfully submitted,

THE OHIO OIL COMPANY

By

W. H. Everett  
W. H. Everett, Attorney

J. O. Terrell Couch  
J. O. Terrell Couch, Attorney

P. O. Box 3128  
Houston 1, Texas

The undersigned acknowledges receipt of a copy of the foregoing Application and as an operator on adjoining acreage the undersigned waives further notice and hearing and consents to the granting of this Application.

Signed this 21st day of July, 1954.

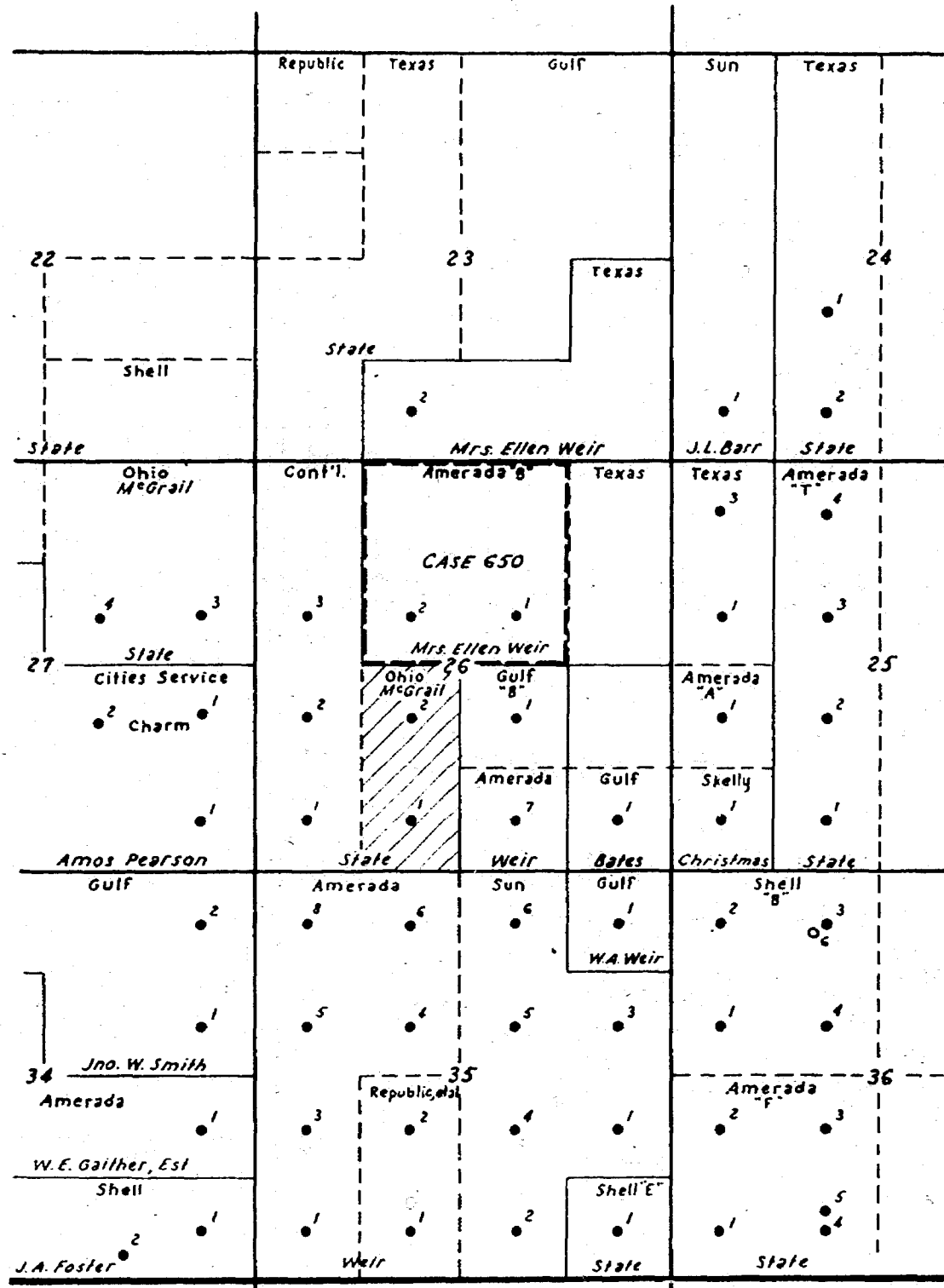
GULF OIL CORPORATION

By

G. H. Fisher  
G. H. Fisher - Manager of Production

ew

R 36 E



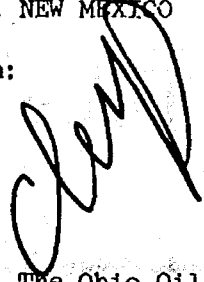
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SCALE 1"=2000'

PLAT OF OHIO'S APPLICATION FOR  
UNORTHODOX GAS PRORATION UNIT  
FOR E 1/2 OF SW 1/4 26-19-36

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Gentlemen:

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1. The Ohio Oil Company is the owner of the oil and gas leasehold estate on the above described tract of land, which tract contains 80 acres, more or less. Said tract should be considered as containing 80 acres for the purpose of allocation of gas allowable in said pool.
2. The Ohio's State McGrail Well No. 1 was heretofore completed in the Monument Oil Pool in the SE/4 of the SW/4 of said Section 26, at a location 660 feet from the West line and 660 feet from the South line of the proposed non-standard gas proration unit. The Ohio has heretofore filed with this Commission, under date of June 23, 1954, The Ohio's notice of intention to convert said well into a gas well in the Eumont Gas Pool by plugging off the former producing formation and by perforating approximately 200 feet in the Yates, Seven Rivers and Queens formations.
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4. Adjoining the proposed non-standard gas proration unit and indicated on the plat by the heavy dash line, is the non-standard gas proration unit consisting of the E/2 NW/4 and the W/2 NE/4 of said Section 26, which unit was heretofore formed in the Eumont Gas Pool by Order No. R-439 entered April 16, 1954, by this Commission, pursuant to the Application of Amerada Petroleum Corporation in Case No. 650. No objection was made to the

formation of said adjoining non-standard unit by any of the adjoining operators. Ohio consented to the formation of said adjoining unit upon the understanding that the adjoining operators would have no objection to the formation of the non-standard unit herein applied for.

5. According to The Ohio's records, the operators on the adjoining tracts are as follows: Amerada Petroleum Corporation, Continental Oil Company, Sun Oil Company, and Gulf Oil Corporation. Each of said operators is being furnished with a copy of this Application and is thereby notified of the filing of same and requested to give written consent to the granting of this Application. Such written consents as are obtained will be presented at the hearing.

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(a) The location of said well as recompleted is within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool;

(b) It is impractical to pool The Ohio's said leasehold estate with adjoining acreage so as to form a standard gas proration unit;

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(d) The creation of a proration unit consisting of the afore-said acreage and the approval of such recompletion will not result in waste, will protect correlative rights and are necessary to prevent confiscation of The Ohio's property.

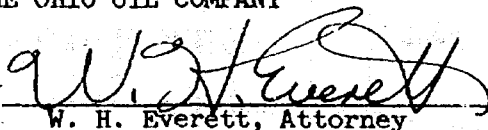
The Ohio Oil Company therefore respectfully requests that a time be set for hearing on this Application at the earliest practicable date; that notice of this Application and of such hearing be issued and served immediately by publication in accordance with the Rules and Regulations of this Commission as provided by law, and that on such hearing the recomple-

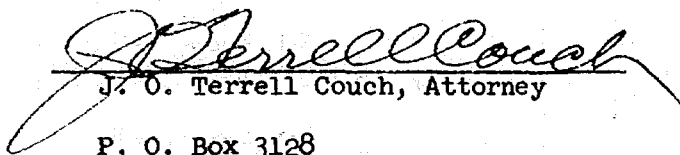
tion of said well be approved and the said non-standard proration unit sought hereby be formed and designated as containing 80 acres for the purpose of allocation of gas allowable in said field.

Respectfully submitted,

THE OHIO OIL COMPANY

By

  
W. H. Everett, Attorney

  
J. O. Terrell Couch, Attorney

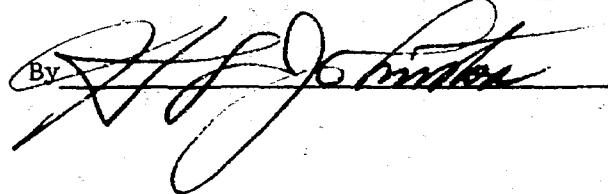
P. O. Box 3128  
Houston 1, Texas

The undersigned acknowledges receipt of a copy of the foregoing Application and as an operator on adjoining acreage the undersigned waives further notice and hearing ~~and consents to the granting of this Application.~~

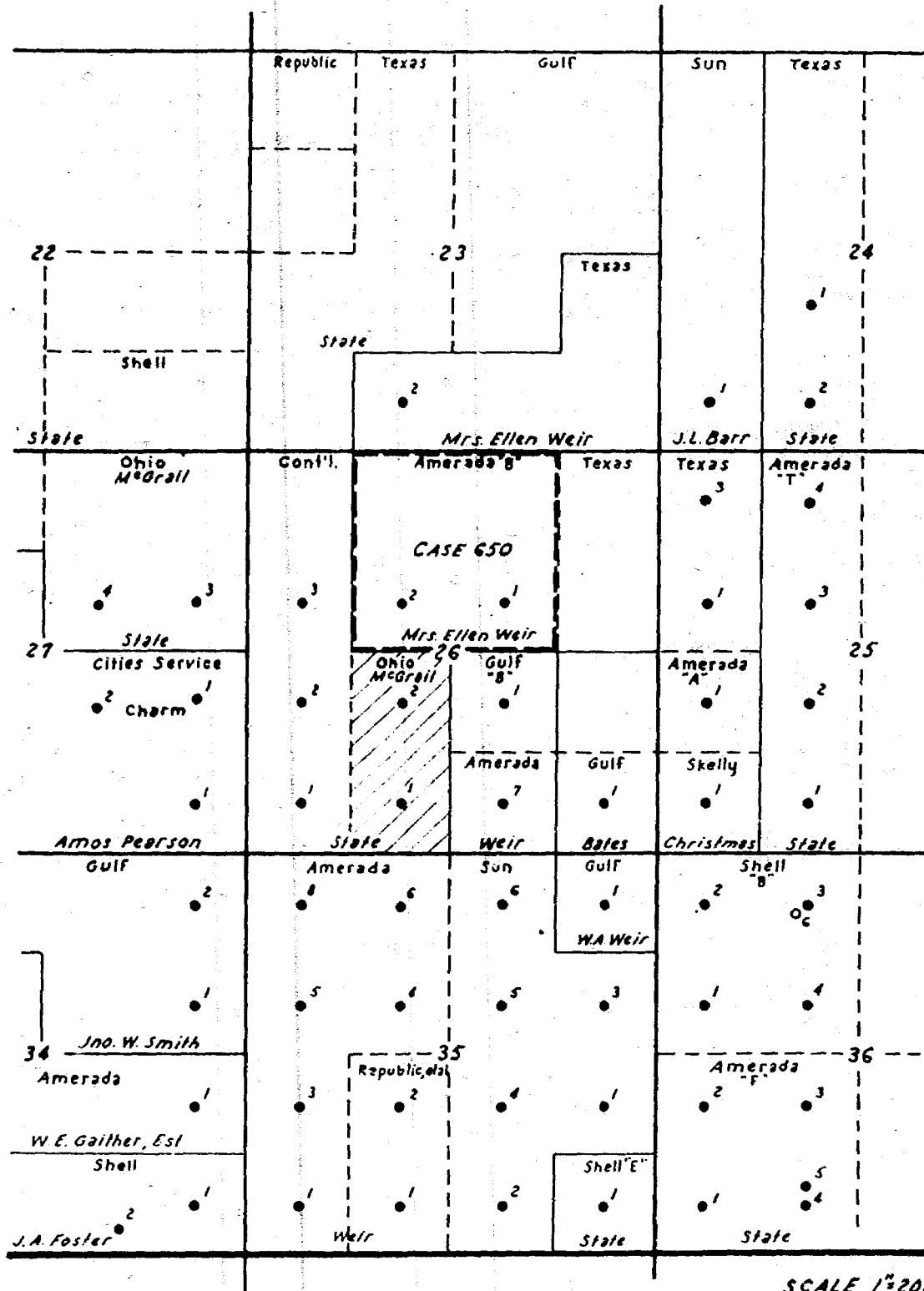
Signed this 2nd day of August, 1954.

CONTINENTAL OIL COMPANY

By



R 36 E



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5

SCALE 1"=2000'

PLAT OF OHIO'S APPLICATION FOR  
UNORTHODOX GAS PRORATION UNIT  
FOR E 1/2 OF SW 1/4 26-19-36