

Case No.

836

Application, Transcript,
Small Exhibits, Etc.

CASE 836: Amendment of NSP--67 to reduce
size of Jalmat gas proration unit, Western
Natural Gas Company

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 11, 1955

Western Natural Gas Company
National Standard Building
Houston 2 - Texas

Attention: Mr. Paul C. Wright

Gentlemen:

We attach copies of Order R-601, R-602 and R-603 issued by
this Commission under date of February 28, 1955, in Cases
836, 837 and 838, respectively.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:nr

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
CONSIDERING:

CASE NO. 836
Order No. R-601

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, DIRECTED TO
WESTERN NATURAL GAS COMPANY, FOR
THE RECONSIDERATION OF ADMINISTRATIVE
ORDER NSP-67 WHICH CREATED A NON-
STANDARD GAS PRORATION UNIT IN THE
JALMAT GAS POOL CONSISTING OF THE N/2
OF SECTION 14, TOWNSHIP 22 SOUTH, RANGE
36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February
16, 1955, at Santa Fe, New Mexico, before the Oil Conservation Com-
mission, hereinafter referred to as the "Commission".

NOW, on this 23 day of February, 1955, 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 5 (a) of the Special Rules
and Regulations for the Jalmat Gas Pool of Order No. R-520, the Com-
mission has power and authority to permit the formation of a gas proration
unit consisting of other than a legal section after notice and hearing by the
Commission.

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

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
N/2 of Section 14

containing 320 acres, more or less.

(4) That applicant, Western Natural Gas Company, has a producing well on the aforesaid lease known as State McDonald #11, located 990 feet from the north and west lines of Section 14, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the above-described 320-acre non-standard gas proration unit has been producing under the provisions of Administrative Order NSP-67, and that the Western Natural Gas Company was required to, and did, show cause why this 320-acre proration unit should not be reduced in size.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 320 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 Jalmat 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 Western Natural Gas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
N/2 of Section 14

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

(2) That applicant's well, State McDonald Well No. 11, located in the NW/4 NW/4 of Section 14, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 320-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

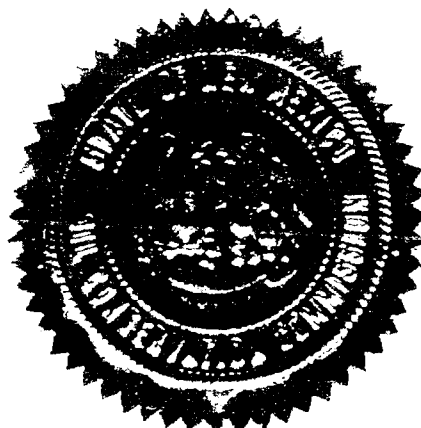
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

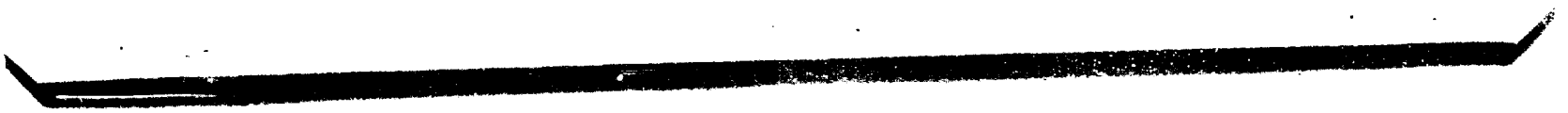
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Smith
JOHN F. SMITH, Chairman

E. J. ...
E. J. ..., Member

A. G. Hagem
A. G. HAGEM, Member and Secretary





BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
February 17, 1955

TRANSCRIPT OF PROCEEDINGS
CASE NO. 236

Regular Hearing

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 17, 1955

IN THE MATTER OF:

The application of the Oil Conservation Commission for revision of an administrative order in creation of a non-standard gas proration unit.

Applicant, in the above-styled cause, seeks an order amending Administrative Order NSP-67 and directing Western Natural Gas Company to reduce the size of the non-standard gas proration unit permitted therein to conform to provisions of Paragraph 3 of Rule 5(a) of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520; the resulting proration unit to consist of NW/4 of Section 14, Township 22 South, Range 36 East, Lea County, New Mexico.

Case No.
836

BEFORE:

Honorable John Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 836.

(Statement of Policy on the Formation of Non-Standard Gas Proration Units (Presented at February 16 Hearing by W. F. Kitts, Attorney)).

Considerable confusion has developed in recent weeks regarding the formation of non-standard gas proration units in Lea County gas pools, and the following statement is presented in an effort to eliminate this confusion and to clarify the requirements in filing applications for approval of non-standard gas proration units in the Southeast gas pools.

The basic considerations for approval of all applications will be that the formation of such unit will:

ADA DEARNLEY & ASSOCIATES
STENOGRAPHIC REPORTERS
ALBUQUERQUE, NEW MEXICO
TELEPHONE 3-6591

1. Prevent Waste
2. Protect Correlative Rights
3. Serve the Best Interests of Conservation.

For an application to receive consideration for administrative approval, the unit for which the exception is requested must in all respects meet the requirements of Rule 5(a) paragraph 3 and Rule 5(b) of the various pool rules contained in Order R-520. Any application which does not meet these requirements for administrative approval must be heard after notice at a hearing of the Commission at which time the merits of the application can be considered.

Further, the Commission Staff feels that Order R-520 clearly implies the radius of influence for one well in the various Southeast gas pools, covered by Order R-520, to be 3735' -- that is, the radius of a circle which will totally enclose a 640-acre section. And that such radius should be applied to all applications for exception to the provisions of Order R-520. Quite naturally, this radius of influence cannot be the only consideration and factors of economics, offset counter-drainage, and good operating practice must be considered. The Commission Staff is aware that each request for approval of a non-standard gas proration unit must stand on its own merits, and be created individually - and we take note of this fact.

We have briefly outlined our position in an effort to assist the operators in making application for and securing non-standard proration units, and with the hope that the operators can assist the Commission Staff by keeping their units within the limits as set out in this statement, in so far as economics and pool operating practice will permit.

We are certain that we can count on the full support of all of the operators.)

MR. VICARY: The case concerns the Western Natural Gas Company. We would like to introduce evidence in support of the request for 320 - acre non-standard proration unit.

PAUL C. WRIGHT,

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. VICARY:

Q Would you state your name, please?

A Paul C. Wright.

Q With whom are you associated in business?

A Western Natural Gas Company.

Q What is your position with Western Natural Gas Company?

A Chief Engineer.

Q What are your duties as Chief Engineer?

A General engineering and supervision of the engineering phases of drilling, production and other operation of the company.

Q Oil and gas production?

A Oil and gas production.

Q What education have you had as an engineer?

A I hold a Bachelor of Science Degree in Petroleum Engineering from Texas A & M.

Q Are you a registered engineer in the States of Texas and New Mexico?

A Yes, sir.

MR. VICARY: Are the witness's qualifications acceptable?

MR. MACEY: They are.

Q Are you familiar with Western Natural Gas Company's State McDonald No. 11?

A Yes, sir.

Q Do you know the date it was completed?

A August 12, 1953.

Q Was it drilled and completed with the then existing regulation of the Commission?

A Yes, sir.

Q Is Western Natural Gas Company the operator of the well?

A Yes.

Q Is the entire proposed non-standard proration unit held under one lease?

A Yes, sir.

Q And has a common ownership?

A Yes.

Q Both royalty and working interest?

A Yes, sir.

(Marked Western Natural Gas Company's Exhibit No. 1, for identification.)

Q Do you have your Exhibit 1 that shows the geographic location of State McDonald No. 11?

A Yes.

Q Is the area colored in yellow, Mr. Knight, the proposed non-standard proration unit?

A Yes, sir.

Q Where is this unit located?

A It is located in the north half of Section 14, Township 22

South, Range 36 East, Lea County, New Mexico.

Q The yellow area represents the proration unit that you are requesting from the Commission?

A Yes, sir.

Q Is it located within the geographical boundary of the Jalmat Gas Pool?

A Yes, sir.

Q Is this well producing within the vertical limits of the Jalmat Gas Pool?

A Yes, sir.

Q Does this State McDonald No. 11 ever produce any oil?

A No, sir.

Q Any separator on the well?

A No, sir.

Q Does this unit consist of contiguous quarter sections?

A Yes, sir.

Q Where is the well located within the proposed unit?

A The well is located 990 feet from the north line and from the west line of the section.

Q Does the proposed unit lie wholly within a single governmental section?

A Yes, sir.

Q What is the length?

A 5,280 feet.

Q What is the width?

A 2,640 feet.

MR. VICARY: We would also like to introduce the NSP record on this, make it a part of this same record.

MR. MACEY: All right.

Q Did you obtain waivers from all of the offset owners?

A I did.

Q Do you have those here with you?

A Copies of them. I have copies of them, and I also have copies of the original waivers in the file, as filed with the Commission.

Q You had those re-confirmed, did you not, after the show-cause order was served?

A I had them re-confirmed by telegram.

Q Are they marked Exhibit 3?

A 3-A, telegram from Ohio; Exhibit 3-B is a telegram from Sinclair.

(Marked Western Natural Gas Company's Exhibits 3-A and 3-B for identification.)

MR. VICARY: We offer these exhibits 1, 3-A and 3-B.

Q Texas Pacific Coal and Oil is the other offset operator, are they not?

A That is right.

Q They will announce their consent to the unit?

MR. MACEY: Do you have an Exhibit 2?

MR. VICARY: We skipped Exhibit 2.

MR. MACEY: Is there objection to the introduction of these exhibits in evidence? If not they will be received.

MR. RUSSELL: If the Commission please, I would like to make a statement on behalf of Texas Pacific Coal and Oil Company. With reference to Case 836, we would like to confirm our official position stating we have no objection to this application and recommend the

approval of the unit requested.

Q Have any dry holes ever been drilled within the proposed unit?

A No, sir.

Q Have any dry holes been drilled in this immediate vicinity?

A So far as I know there are none in the immediate vicinity.

Q Is this well producing from the Yates Formation?

A Yes, sir.

Q Is it generally productive of gas, the Yates Formation?

A Yes, sir.

Q Where is the production located that surrounds this unit, or is adjacent to it?

A Well, this unit is offset by gas production from the Jalmat Pool, it is offset on three sides and to the east it is offset by the Arrowhead Pool, which produces oil from the Queen.

Q You have offset wells on the north and south and the west?

A That is right.

Q Has your company had any experience drilling wells in this Yates Formation?

A Yes, sir, we drilled, not in this particular area, we drilled approximately 20 wells in another area.

Q Have you ever had a dry hole?

A No, sir.

Q Based on your knowledge and information of your company's experience in this area, are you of the opinion that this entire proposed unit is reasonably productive?

A Yes, sir.

Q Are you of the opinion that this Seate McDonald No. 11 will

effectively drain this 320-acre area?

A Yes, sir.

Q Would the granting of this proposed unit result in any waste of any kind?

A No waste.

Q In your opinion, would it be in the benefit of conservation to grant this unit?

A Yes, sir.

Q Would the granting of this unit, in any way, protect correlative rights?

A It would serve to protect the correlative rights.

Q Have you calculated the deliverability of this well into the line?

A Yes, sir.

Q What line is it delivering into?

A It is delivering into El Paso Natural's high pressure gas gathering system.

Q Have you calculated the deliverability based on the pressures of that line?

A Yes, sir. The well is capable of delivering 2,650,000 cubic feet per day against the current pipeline pressure.

Q In your opinion is the well capable of producing the allowable that we are requesting in the 320-acre unit?

A Yes, sir.

Q Was some of the allowable, previously granted, cancelled?

A Yes.

Q Do you know why it failed to make the allowable?

A It wasn't the failure of the well, it was the failure of the

pipeline to take the allowable that was granted.

Q You are sure that the well will make the allowable if it is granted?

A Yes, sir.

Q Do you have any further statement you wish to make in connection with this case?

A No, sir.

MR. MACEY: Does anyone have a question of the witness? If not the witness may be excused.

(Witness excused.)

MR. MACEY: Does anyone have a statement to make in this case? If not we will take the case under advisement.

STATE OF NEW MEXICO)
: ss.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 25th day of February, 1955.

Ada Dearnley
Notary Public, Court Reporter

My Commission Expires:
June 19, 1955

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 21, 1955

**Western Natural Gas Company
National Standard Building
Houston 2, Texas**

Re: Administrative Order NSP-67

Attention: Mr. Paul C. Wright

Gentlemen:

On December 27, 1954, by virtue of the provisions of Administrative Order NSP-67, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Jalmat Gas Pool:

Section 14, Township 22 South, Range 36 East
N/2

Information available to me at this time indicates that I exceeded the authority granted to me by the provisions of Rule 5-b of Order R-520, (Jalmat Pool Rules) due to the fact that the third paragraph of Rule 5-a specifically limits the maximum amount of acreage that may be assigned to a gas well, the amount being governed by the well location.

The formation of a 320-acre non-standard proration unit with your State MacDonald Lease, well No. 11, located 770 feet from the North line and 990 feet from the West line is contrary to the provisions of this rule.

On February 16, 1955, this Commission will hold hearings directed to you as operator for you to show cause why the acreage assigned your State MacDonald Well No. 11, NW/4 NW/4 section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, should not be reduced to 160 acres in accordance with the provisions of Paragraph 3 of Rule 5-a of Order R-520. The description of this 160 acre unit is as follows:

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Section 14, Township 22 South, Range 36 East
NW/4

This proposed reduction would be effective March 1, 1955. You will of course be afforded the opportunity to present any testimony or evidence to support the formation of the proration unit as it now exists.

This letter is being directed to you so that you can prepare your case, if you so desire. A copy of the advertisement will be mailed to you when available.

Very truly yours,

W. B. MACEY,
Secretary-Director

WBM/lr

CLASS OF SERVICE
This is a full-rate Telegram or Cablegram unless its de- scribed character is in- dicated by a suitable symbol above or pre- ceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL = Day Letter
NL = Night Letter
TL = Telegram
V = Victory Line

(47).

Time shown above is in Standard Time at point of origin. Time shown below is Standard Time at point of destination.

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1955 FEB 8 PM 5 04

FWC763 ~~LONG~~ 126 COLLECT-FAX FORT WORTH TEX 8 424PMC

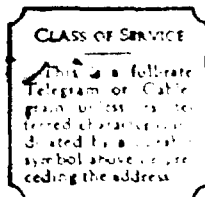
WESTERN NATURAL GAS CO= 380

1006 MAIN ST HOU=

SINCLAIR OIL & GAS COMPANY WAIVES ANY OBJECTION TO THE DESIGNATION OF 320 ACRE NON-STANDARD PRORATION UNITS ON THE FOLLOWING LISTED TRACTS: STATE McDONALD WELL #11 - WELL LOCATION 990 FEET FROM NORTH AND WEST LINES, N/2 SEC. 14 - 22S--36E (320 ACRES) LEA COUNTY, NEW MEXICO, RECORD WELL #1 - WELL LOCATION 990 FEET FROM SOUTH AND

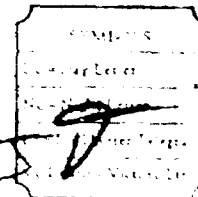
*Western Natural Gas Co.
Exhibit 3B
Case 836*

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



WESTERN UNION

W. P. MARSHALL, President



THE FOLLOWING INFORMATION IS FOR THE USE OF THE ADDRESSEE ONLY. IT IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY MANNER WITHOUT THE WRITTEN PERMISSION OF THE WESTERN UNION TELEGRAPH COMPANY.

1955 FEB 8 PM 5 04
EAST LINES. S/2 SEC. 10 - 22S--36E (320 ACRES). LEA
COUNTY. NEW MEXICO. JONES WELL #1 - WELL LOCATION 990
FEET FROM NORTH AND EAST LINES. N. 2 SEC. 34 - 22S--36E
(320 ACRES) LEA COUNTY. NEW MEXICO. =

THIS IS TO RE-CONFIRM LETTERS OF WAIVER OF NOTICE
OF HEARING DIRECTED TO THE NEW MEXICO CONSERVATION
COMMISSION BY SINCLAIR OIL & GAS COMPANY EACH DATED
NOVEMBER 22, 1954=

J. T. REEVES DIVISION PRODUCTION SUPT
SINCLAIR OIL & GAS CO=

THE FOLLOWING INFORMATION IS FOR THE USE OF THE ADDRESSEE ONLY. IT IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY MANNER WITHOUT THE WRITTEN PERMISSION OF THE WESTERN UNION TELEGRAPH COMPANY.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 27, 1954

C
O
P
Y

Western Natural Gas Company
National Standard Building
Houston 2, Texas

Attention: Mr. Paul C. Wright

Administrative Order NSP-67

Gentlemen:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Twp. 22 South, Rge. 36 East, NMPM
N/2 of Section 14

It is understood that this unit is to be ascribed to your State McDonald Well No. 11, located 990' from the North and West lines of Section 14, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

Inasmuch as you enclosed waivers from the offset operators agreeing to the formation of the proposed unit, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 5, Section (b)-5 of the Special Rules and Regulations of the Jalmat Gas Pool, as set forth in Order P-320, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 320 acres.

Very truly yours,

J. D. Hickey
Secretary - Director

YBH:jh

cc: - Mr. J. D. Hickey, Secretary - Director

N. M. Oil & Gas Engineering, Comm., 10100

Attention: _____

Gentlemen:

Administrative Order NSP- _____

Reference is made to your application for approval of a _____-acre
non-standard gas proration unit in the _____ Gas Pool
consisting of the following acreage:

It is understood that this unit is to be ascribed to your _____

Inasmuch as you enclosed waivers from the offset operators agreeing
to the formation of the proposed unit, it is possible for immediate approval
to be granted. Therefore, by authority granted me under provisions of
Rule 5, Section (b)-5 of the Special Rules and Regulations of the
Gas Pool, as set forth in Order R- _____, you are hereby authorized to
operate the above described acreage as a non-standard gas proration unit,
with allowable to be assigned thereto in accordance with pool rules, based
upon the unit size of _____ acres.

Very truly yours,

W. B. Macey
Secretary - Director

Western Natural Gas Company

NATIONAL STANDARD BUILDING

Houston 2, Texas

December 9, 1954

W. K. DAVIS
VICE-PRESIDENT
IN CHARGE OF
OPERATIONS

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

Gentlemen:

We herewith make application for a 320 acre unorthodox gas proration unit for our State McDonald No. 11 well, located 990' from the north and west lines of Section 14, T22S, R36E, Jalmat Gas Pool, Lea County, New Mexico. Attached is a plat of this unit and waivers from Texas-Pacific Coal and Oil Company, Ohio Oil Company and Sinclair Oil and Gas Company to support this application. We request that these be considered as a fulfillment of the conditions outlined in Rule 5 (b) Order R-520, and that this proration unit be approved without a hearing.

Yours truly,

Paul C. Wright
Paul C. Wright

PCW:ad
cc :W.K. Davis
R.H. McKey

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat



Date December 6, 1954

Western Natural Gas Company State McDonald 11
Operator Lease Well No.

Name of Producing Formation Yates-Seven Rivers Pool Jalmat

No. Acres Dedicated to the Well 320

SECTION 14 TOWNSHIP 22S RANGE 36E

			
Western Nat. Gas  State McDonald			

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name Paul C. Wright
Position Chief Engineer
Representing Western Natural Gas Company
Address 1006 Main St. - Houston, Texas

(over)

INSTRUCTIONS

1. Is this gas well a dual completion? Yes _____ No. _____.
2. If the answer to Question 1 is Yes, are there any other dually completed wells within the dedicated acreage?
Yes _____ No. _____.

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

INSTRUCTIONS

1. Is this gas well a dual completion? Yes _____ No. _____.
2. If the answer to Question 1 is Yes, are there any other dually completed wells within the dedicated acreage?
Yes _____ No. _____.

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

RECEIVED
NOV 15 1954

THE OHIO OIL CO.
MIDLAND ENG. DEPT

New Mexico Oil Conservation Commission
Post Office Box 37
Santa Fe, New Mexico

Gentlemen

Western Natural Gas Company has informed us that they have requested the approval of an unorthodox gas production unit under the provisions of Rule 5, Order No. 1-520, covering the State McDonald #11 Well, located 990 from N & W, 14-22-36, Lea County, New Mexico. We have been advised that this unit consists of 320 acres situated in the N 1/2 Section 14, T22S, R36E of Lea County, New Mexico.

Please accept this as a waiver of notice and hearing on this application since we have no objection to the formation of the specified unit.

Very truly yours,

Ohio Oil Company

By James J. Hutton

SINCLAIR OIL & GAS COMPANY

FAIR BUILDING

FORT WORTH, TEXAS

November 22, 1954

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

Re: Western Natural Gas Company
#11 State McDonald
Lea County, New Mexico

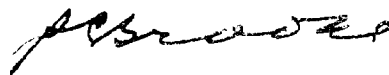
Gentlemen:

We are advised that the Western Natural Gas Company has requested approval of a 320 acre non-standard gas proration unit under provisions of Rule 5. This unit described as the N/2 of Section 14-22S-36E covers their No. 11 State McDonald well located as follows:

990' from the North and West lines of Section
14-22S-36E, Lea County, New Mexico.

Sinclair Oil & Gas Company, as an offset operator, waives any objections to the designation of this non-standard proration unit above described and to the usual waiting period after filing of application.

Yours truly,



P. C. Brooke
Vice-President

MH:EOH
cc Western Natural Gas Company
1006 Main Street,
Houston 2, Texas.

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Gentlemen

Western Natural Gas Company has informed us that they have requested the approval of an unorthodox gas proration unit under the provisions of Rule 5, Order No. K-520, covering their State McDonald #11 Well, located 990 from N & W, 14-22-36, Lea County, New Mexico. We have been advised that this unit consists of 320 acres situated in the N 1/2 Section 14, T22S, R36E of Lea County, New Mexico.

Please accept this as our waiver of notice and hearing on this application since we have no objection to the formation of the specified unit.

Very truly yours,

Texas Pacific Coal & Oil Co.

By J. H. [Signature]

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE Dec. 22, 1954

MR. W. E. MACEY
OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

RE: PROPOSED MSP 67
PROPOSED NSL

Dear Mr. Macey:

I have examined the application dated none

for the Western Nat. Gas Harrington #1- 11-22-36
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

Approved

Yours very truly,

OIL CONSERVATION COMMISSION

Stanley J. Stanley
Stanley J. Stanley
Engineer

hs

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its de-ferred character is in-duced by a suitable symbol above or pre-ceding the address

WESTERN UNION

W. P. MARSHALL, President

REGISTERED
Day Letter
Night Letter
Full Rate Telegram
Full Rate Cablegram

Time shown in the date line is for rates and day letters in STANDARD TIME. All other times are given in the date line.

DE363

D. MDA141 63 COLLECT 3 EXTRA=MIDLAND TEX 4 146PMC=

PAULC WRIGHT=WESTERN NATURAL GAS CO

FEB 4 PM 2 33

825 1006 MAIN ST HOU=

WE HAVE NO OBJECTION TO THE FORMATION OF A NON-STANDARD
320 ACRE GAS UNIT FOR YOU MCDONALD NO 11, LOCATED 990'
FROM THE NORTH AND WEST LINES OF SECTION 14, OR FOR YOUR
RECORD NO 1, LOCATED 990' FROM THE SOUTH AND EAST LINES
OF SECTION 10, BOTH IN T-22-S, R-36-E, JALMAT GAS POOL,
LEA COUNTY, NEW MEXICO=

*Western Natural Gas Co.
Exhibit 3 A
Case 836*

This is a full-rate Telegram or Radiogram unless its distinctive characters are marked by a special symbol as explained in the address.

WESTERN UNION

J. P. MARSHALL, PAID, 1969

Symptoms

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1992]

Feb 4 PM 2 33

THE OHIO OIL CO BY COE S MILLS DISTRICT
MANAGER=

500 11 990* 14 1 990* 10 T-22-S R-36-E=