

Casa No.

838

Application, Transcript,
Small Exhibits, Etc.

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. 838
Order No. R-603

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, DIRECTED TO
WESTERN NATURAL GAS COMPANY, FOR
THE RECONSIDERATION OF ADMINISTRATIVE
ORDER NSP-60 WHICH CREATED A 320-ACRE
NON-STANDARD GAS PRORATION UNIT IN THE
JALMAT GAS POOL CONSISTING OF THE S/2
OF SECTION 10, 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 Commission, hereinafter referred to as the "Commission".

NOW, on this 28th 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 Commission 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.
S/2 of Section 10

containing 320 acres, more or less.

(4) That applicant, Western Natural Gas Company, has a producing well on the aforesaid lease known as H. S. Record #1, located 990 feet from the south and east lines of Section 10, 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-60, and that 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
S/2 of Section 10

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

(2) That applicant's well, H. S. Record Well No. 1, located in the SE/4 SE/4 of Section 10, 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. Simms
JOHN F. SIMMS, Chairman

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

W. B. Bachy
W. B. BACHY, Member and Secretary



BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 838

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
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-60 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 SE/4 of Section 10, Township 22
South, Range 36 East, Lea County, New Mexico.

Case No.
838

BEFORE:

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

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 838.

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

Considerable confusion has developed in recent weeks regard-
ing the formation of non-standard gas proration units in Lea County
gas pools, and the following statement is presented to an effort to
eliminate this confusion and to clarify the requirements in future
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:

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 3,735' -- 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 pool operating practice must be considered. The Commission Staff is aware that each request for approval of a non-standard gas production unit must stand on its own merits, and is treated 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 production 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 good operating practice will permit.

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

PAUL C. WRIGHT,

called as a witness, having been previously sworn, testified as follows:

DIRECT EXAMINATION

By MR. VICARY:

Q Mr. Wright, do your records show when Western Natural Gas Company's Record No. 1 Well was completed?

A It was completed July 27, 1947.

Q Was it drilled within the then existing regulations of the Commission?

A Yes.

Q Is Western Natural Gas Company the operator in this area?

A Yes.

Q Are they the operators of the unit we proposed?

A Yes, sir.

Q Is it held under one lease?

A Yes.

Q And has a common interest of royalty and working interest?

A Yes.

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

Q Do you have Exhibit 2 here showing the unit proposed?

A Yes.

Q Mr. Wright, does the area that you have colored in yellow represent the non-standard production unit operated by Western?

ADA DEARNLEY & ASSOCIATES

STENOGRAPHIC REPORTERS
ALBUQUERQUE, NEW MEXICO
TELEPHONE 3-6591

A Yes, sir.

Q Where is it located?

A The unit is located in the south half of Section 10, Township 22 South, Range 36 East, Lea County, New Mexico.

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

A Yes.

Q As defined by the Commission. Is it producing within the vertical limits of the Jalmat Pool?

A Yes.

Q Has this Record No. 1 ever produced any oil?

A None to my knowledge.

Q Is there a separator set there?

A No, sir.

Q Does the proposed unit consist of contiguous quarter quarter sections?

A Yes.

Q Where is the well located with reference to the proposed unit?

A It is located 220 feet from the south and east lines of Section 10.

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

A Yes, sir.

Q What is the length of the proposed unit?

A 5,200 feet.

Q What is the width of the proposed unit?

A 2,640 feet.

Q Have you obtained the consent of, or waivers from the offset

owners?

A Yes, sir.

MR. VICARY: Again we would like to make the NSP record, incorporate it in this record.

A We have three confirmations from R. Olsen, Ohio and Sinclair Oil and Gas.

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

Q These you have marked Exhibits 3-A, 3-B and 3-C?

A Yes, sir.

Q These waivers include all of the offset owners, other than Texas Pacific Coal and Oil?

A Yes.

Q I believe Texas Pacific Coal and Oil is here.

MR. RUSSELL: Jack Russell, I would like to state in behalf of Texas Pacific Coal and Oil Company, we have no objection to the application, and recommend the approval of the unit as requested.

MR. VICARY: We would like to have the exhibits offered.

MR. MACKEY: Any objection to the introduction of the exhibits in evidence? If not, they will be received.

Q Have there been any dry holes drilled within the proposed unit, Mr. Wright?

A No, sir.

Q Have there been any dry holes in the immediate vicinity of this unit?

A None that I know of.

Q Is it also produced from the Yates formation?

A Yes.

Q I believe you already testified that it is generally productive of gas?

A Yes, sir.

Q Are there any offset wells to the Record No. 1?

A Yes, sir, offset north, south, and east by direct offset gas wells in the Yates, and offset on the northwest.

Q From your experience, are you of the opinion that this entire unit of 320 acres is reasonably productive of gas?

A Yes, sir.

Q Will the Record No. 1 effectively drain the proposed unit?

A Yes, sir.

Q Would the granting of the proposed non-standard proration unit result in any waste?

A No, sir.

Q Would the granting of this unit protect correlative rights?

A Yes.

Q Have you calculated the deliverability potential into El Paso's line of this Record No. 1?

A Yes, sir, I have. I have the Jones and the Record switched.

MR. VICARY: Mr. Secretary, could we correct the record on the Jones Well? He testified the delivery of 10,000,000, whereas, the 10,000,000 is the Record, and the Jones should be another figure.

MR. SACCHY: You are referring to your application in Case 627, I believe?

MR. VICARY: Yes, sir, that is correct.

A I made a mistake in reading my figures here, I got them transposed. The Jones for the Record. On the Jones the deliver-

ability is 4,100,000 cubic feet per day.

Q This 4,100,000, is it sufficient to meet the allowable proposed for the Jones?

A Yes, sir.

Q What is the deliverability that you have computed for the Record?

A 10,000,000 cubic feet per day against the pipeline pressure.

Q That is El Paso pipeline, to whom you are making actual deliverability?

A Yes, sir.

Q You are of the opinion that on both the Jones and Record Wells, that the wells are capable of meeting the allowables requested?

A Yes, sir.

Q Has any allowable ever been cancelled on the Record?

A No, sir.

MR. VICARY: No further questions.

MR. MACEY: Any questions of the witness? Anyone have a statement in this case? If not we will take the case under advisement.

(Witness excused.)

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 27th day of February, 1955.

My Commission Expires:
June 19, 1955

ADA DEARNLEY & ASSOCIATES
STENOGRAPHIC REPORTERS
ALBUQUERQUE, NEW MEXICO
TELEPHONE 3-6691

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

FX-1201

(12)

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1955 FEB 3 PM 4 31

DD505 FWA87
FA:BJ040 PD=BJ FT WORTH TEX 3 410PMC=
PAUL C WRIGHT=WESTERN NATURAL GAS CO
1006 MAIN ST HOU=

REYOUR LETTER WE PLAN TO HAVE A REPRESENTATIVE PRESENT
AT SHOW CAUSE HEARING COVERING YOUR RECORD WELL NUMBER
ONE=
TEXAS PACIFIC COAL AND OIL CO BY E T ADAIR

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

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DF 161 D

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

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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W. P. MARSHALL, PRESIDENT

EX-1201

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JWC 765-00

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 COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS SERVICE
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WESTERN UNION

W. P. MARSHALL, PRESIDENT

EX-1201

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1 DE363

D. NDA141 63 COLLECT 3 EXTRA=MIDLAND TEX 4 146PMC=

PAUSEC WRIGHT=WESTERN NATURAL GAS CO

1933 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=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE
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WESTERN UNION

W. P. MARSHALL, PRESIDENT

FX-1201

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1 D.M. DA/41

1955 FEB 4 PM 2 33

THE OHIO OIL CO BY COE S MILLS DISTRICT
 MANAGER=

320 11 990 14 1 990 10 T-22-S R-36-E=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 21, 1955

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

Attention: Mr. Paul C. Wright

Re: Administrative Order NSP-60

Gentlemen:

On December 27, 1954, by virtue of the provisions of Administrative Order NSP-60, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Jalmat Gas Pool:

Section 10, Township 22 South, Range 36 East
S/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 H. S. Record Lease, Well No. 1, located 990 feet from the South line and 990 feet from the East 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 H. S. Record Well No. 1, SE/4 SE/4, Section 10, 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 10, Township 22 South, Range 36 E
SE/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/ir

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 27, 1954

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

Attention: Mr. Paul C. Wright

Administrative Order NSP-60

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
S/2 Section 10**

It is understood that this unit is to be ascribed to your H. S. Record Well No. 1, located 990' from the South and East lines of Section 10, 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 R-520, 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,

**E. L. Macey
Secretary - Director**

EMM:jh

**cc: Oil Conservation Commission, Hobbs
N. M. Oil & Gas Engineering Comm., Hobbs**

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

November 26, 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 Record No. 1 well, located 990' from the south and east lines of Section 10, 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, Sinclair Oil and Gas Company, and R. Olsen Oil 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

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date December 6, 1954

Western Natural Gas Company Record 1
Operator Lease Well No.
Name of Producing Formation Yates Pool Jalmat

No. Acres Dedicated to the Well 320

SECTION 10 TOWNSHIP 22S RANGE 36 E

Western Nat. Gas Harrington ☼'			
		R. Olsen ☼' M. James	
			☼'

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

Name Paul C. Knight
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. X.
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.

New Mexico Oil Conservation Commission
Post Office Box 31
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. 4-520, covering their Record No. 1 Well, located 990' from S & E, 10-22-36, Lea County, New Mexico. We have been advised that this unit consists of 320 acres situated in the S 1/2 Section 10, 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,

Ohio Oil Company

Wm. J. Miller

New Mexico Oil Conservation Commission
Post Office Box 341
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. R-520, covering their Record No. 1 Well, located 990' from S & E, 10-22-36, Lea County, New Mexico. We have been advised that this unit consists of 320 acres situated in the S 1/2 Section 10, 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,

R. Olsen Oil Company

BY:

Philip Landoff

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. R-520, covering their Record No. 1 Well, located 990' from S & E, 10-22-36, Lea County, New Mexico. We have been advised that this unit consists of 320 acres situated in the S 1/2 Section 10, 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. League
Manager of Production

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
#1 Record
Lea County, New Mexico

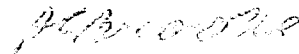
Gentlemen:

We are advised that the Western Natural Gas Company has requested approval of a 320 acre non-standard gas proration unit under the provisions of Rule 5. This unit described as the S/2 of Section 10-22S-36E, Lea County, is to be assigned their #1 Record well, located as follows:

990' from the South line and 990' from the East
line of Section 10-22S-36E, Lea County, New Mexico.

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

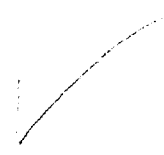
Yours truly,



P. C. Brooke
Vice-President

MH:EOH

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



OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE Dec. 22, 1954

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

RE: PROPOSED NSP 60
PROPOSED NSL

Dear Mr. Macey:

I have examined the application dated none
for the Western Natural Gas Co. H. S. Record #1 10-22-36
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