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THE ATLANTIC REFINING COMPANY
PETROLEUM PRODUCTS

Midland, Texas

NSP 395
10-9-57
MAIN OFFICE OCC

1957 SEP 9 PM 1:00

Domestic Producing Department

Address Reply To:
P. O. Box 871
Midland, Texas

August 28, 1957

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

Re: Application for Administrative
Approval of a 240-Acre Non-Standard
Gas Proration Unit, Eunont Gas Pool,
Comprised of SW 1/4 and the S 1/2
SE 1/4 of Section 5, T-21S, R-36E,
Lea County, New Mexico

Gentlemen:

The Atlantic Refining Company respectfully requests administrative approval under provisions of Rule 5 (b) of NMOCG Order No. R-520 for a non-standard gas proration unit for its State "G" No. 1 well, located 660' from the south line and 1980' from the west line of Section 5, T-21S, R-36E, Eunont Pool, Lea County, New Mexico. The proposed non-standard gas proration unit is to consist of the 240 acres comprising the SW 1/4 and the S 1/2 SE 1/4 of the above described sections, 21S, 36E. Upon approval of this non-standard unit, it is requested that the New Mexico Oil Conservation Commission Administrative Order NSP-38 dated December 18, 1954, be cancelled.

In support of this application, the following facts are submitted:

1. The Atlantic Refining Company is the owner and operator of oil and gas leases known as the Atlantic State "E" and State "G" leases which cover the SW 1/4 of Section 5, T-21S, R-36E, Lea County, New Mexico, and that the Atlantic Refining Company and the Tidewater Oil Company are the owners and The Atlantic Refining Company the operator of an oil and gas lease known as the Atlantic Tidewater State "C" lease which covers the S 1/2 SE 1/4 of Section 5, T-21S, R-36E, Lea County, New Mexico.

2. The Atlantic Refining Company's State "G" No. 1 well was dually completed November 1, 1954, as a gas-oil dual in the Eunice-Monument and Eunont Pools in accordance with the New Mexico Oil Conservation Commission Order DC-31.

3. A plat is attached hereto showing the proposed 240 acre non-standard gas proration unit, the location of the Atlantic State "G" No. 1 well, and the location of offset wells.

4. The proposed non-standard gas proration unit complies with the provisions of Rule 5 (b) of Order R-520 in that

- (a) it is composed of contiguous quarter-quarter sections,
- (b) it lies wholly within a single governmental section,

August 28, 1957

- (c) the entire unit may reasonably be presumed to be productive of gas,
- (d) neither its length nor its width exceeds 5280', and
- (e) all operators owning interests within the same governmental section as the proposed unit which are not included in the unit, and all operators owning interests within 1500' of the well to which this unit is proposed to be allocated, have been notified of Atlantic's intent to form the unit by means of a copy of this application sent by registered mail.

5. Eumont gas under the proposed non-standard unit has been pooled. Three copies of the New Mexico Oil Conservation Commission's revised Form C-128 are attached in accordance with the New Mexico Oil Conservation Commission Order R-985.

6. The granting of this application for the non-standard gas proration unit is in the interest of conservation and the protection of correlative rights.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

R. E. Howard

R. E. Howard
Regional Petroleum Engineer

AFFIDAVIT

On this the 3rd day of September, 1957, before me appeared R. E. Howard, to me personally known to be the person who executed the foregoing instrument and who, after being by me duly sworn on oath, states that he is employed by or associated with The Atlantic Refining Company in the capacity of Regional Petroleum Engineer, and that the above statements are true and correct.

IN WITNESS THERETO, I have hereunto set my hand and seal on the day and year first above written.

Dorothy Pinkerton Dorothy Pinkerton
Notary Public In and For Midland
County, Texas

MAILING LIST

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

*Continental Oil Company ✓
Box 428
Hobbs, New Mexico

*Koch Oil Corporation ✓
321 West Douglas
Wichita, Kansas

*Amerada Petroleum Corporation
Box 2040
Tulsa, Oklahoma

*Gulf Oil Corporation ✓
Box 2167
Hobbs, New Mexico

*Shell Oil Company
Box 1957
Hobbs, New Mexico

*Tidewater Oil Company
Box 731
Tulsa, Oklahoma

*Sent by registered mail with return receipt requested.

NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Section A.

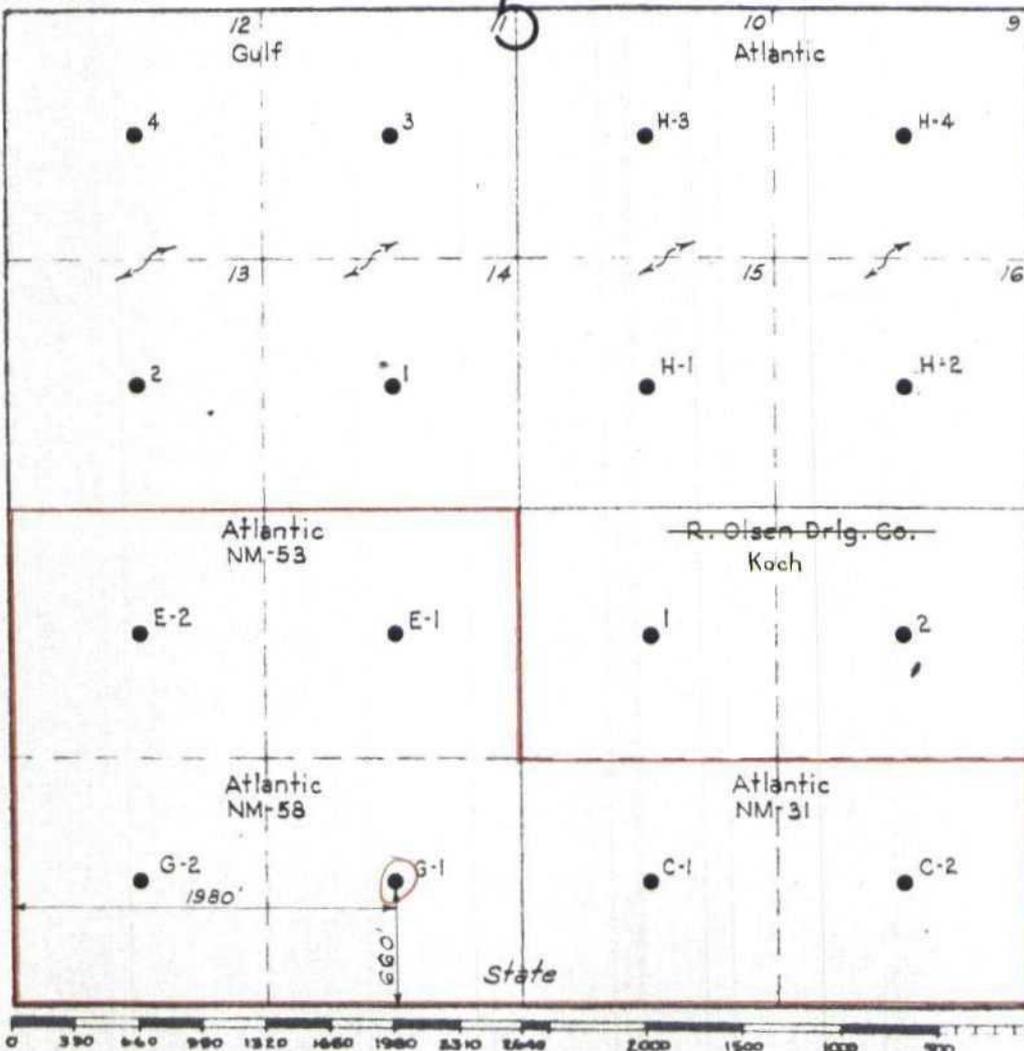
Date Aug. 12, 1957

Operator The Atlantic Refining Company Lease State "G" Gas Unit
Well No. G-1 Unit Letter V Section 5 Township 21 South Range 36 East NMPM
Located 660 Feet From South Line, 1980 Feet From West Line
County Les G. L. Elevation _____ Dedicated Acreage 240 Acres
Name of Producing Formation Queen Pool Eumont

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes _____ No X
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X No _____. If answer is "yes," Type of Consolidation Gas Pooling Agreement
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description
<u>The Atlantic Refining Company</u>	<u>SW/4 & S/2 SE/4 Section 5, T21S, R36E</u>
<u>Tidewater Oil Company</u>	<u>S/2 SE/4 Section 5, T21S, R36E</u>

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

The Atlantic Refining Company
(Operator)
J. J. Beard
(Representative)

P. O. Box 2819, Dallas, Texas
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 1935
R. A. Waterhouse
R. A. Waterhouse, Asst. Chief Surveyor
The Atlantic Refining Company

(See instructions for completing this form on the reverse side)

R-36-E

Gulf "B"

5

Shell "E"

Heasley Gulf "A"

Orcutt Atlantic NM 52 "H"

Gulf "A"

Gulf "B"

Orcutt Atlantic NM 53 "E"

Koch

Producing Unit

Atlantic NM 58 "G"

Atlantic NM 31 "C" 1/2 Int.

Bell

State

"Bell Ramsey" State

Amerada

Continental et al NM 2-1 "B" 1/4 Int.

Tidewater

Gulf "A"

Easter

- LEGEND -

- Eunice Oil Producer
- ☀ Dual Eunice Oil and Eumont Gas Producer
- ★ Abn'd Eunice Oil, Eumont Gas Only
- ⊙ Eumont Gas Producer

THE ATLANTIC REFINING COMPANY
 MIDLAND REGION
 EUNICE-MONUMENT FIELD
 Scale: 1" = 1000'
 To Accompany Application for Non-Standard Gas Unit - Atlantic State
 "G" No. 1 Well