

Comm 10-28
MAIN OFFICE OCC

NSP 401
11-23-57

1957 OCT 24 AM 8:11

P. O. Box 547
Hobbs, New Mexico
October 22, 1957

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

Re: Application for administrative approval
for Tidewater Oil Company to increase
the size of an existing 160 acre gas
proration unit to 320 acres in the Justis
Gas Pool.

Gentlemen:

By this letter of application, Tidewater wishes to relate the following information in accordance with Rule 5 (d) Order R-586-C requesting approval for increasing a non-standard gas proration unit from 160 acres to 320 acres, Justis Gas Pool, Lea County, New Mexico:

1. The application is submitted in triplicate.
2. Under Order R-605 Tidewater's A. B. Coates "C" #1 was assigned a 160 acre non-standard gas proration unit, the legal description of which is the SE/4 NW/4, N/2 NE/4, and SW/4 NE/4 all in Sec. 24-25S-37E NMPM, Lea County, New Mexico.
3. Under provisions set out in Order R-586-C Tidewater wishes to increase this proration unit to 320 acres with the formation of a non-standard gas proration unit, the legal description of which is, SE/4 NW/4, NE/4, NE/4 SW/4, and N/2 SE/4 all located in Sec. 24-25S-37E NMPM, Lea County, New Mexico.
4. A plat is attached showing:
 - (a) Acreage to be dedicated.
 - (b) Well location.
 - (c) Offset ownership.
5. The non-standard gas unit will protect correlative rights and prevent waste.
6. The non-standard gas proration unit consists of contiguous quarter-quarter sections.

7. The non-standard gas proration unit lies wholly within a governmental section.
8. The entire non-standard gas proration unit can be reasonable presumed to be productive of gas and is within the horizontal limits of the Justis Gas Pool.
9. The length or width of this unit does not exceed 5280'.
10. All operators owning interest in the section where this unit is located and those within 1500' of the gas well have been notified by registered mail as herein stated.

Therefore, Tidewater Oil Company requests that through provision of Rule 5 (d) Order R-506-C, administrative approval of this non-standard gas proration unit be granted.

Respectfully submitted,

TIDEWATER OIL COMPANY


H. P. Shackelford
Area Superintendent

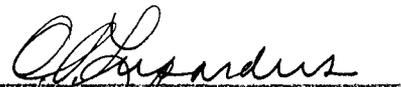
RMM:bh

State of New Mexico
County of Lea

Before me, the undersigned authority, on this day personally appeared H. P. Shackelford, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath states that he has knowledge of all the facts stated above and that the same is true and correct statement of the facts as therein recited.

Subscribed and sworn to before me on this the 22nd day of October, 1957.

MY COMMISSION EXPIRES AUGUST 9, 1957


O. O. Mupardus

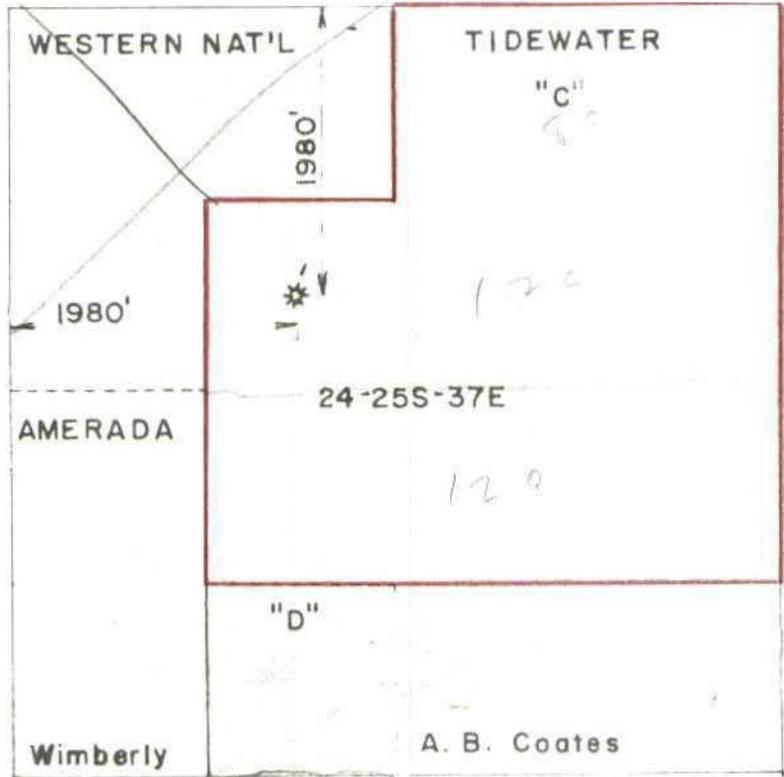
Notary Public, Lea County,
New Mexico

MAILING LIST

Western Natural Gas
823 Midland Tower
Midland, Texas

América Petroleum Corp.
P. O. Box D
Monument, New Mexico

290
320



TIDEWATER OIL CO.

TULSA, OKLA.

Tidewater proposed 320 acre non-standard gas proration unit, Justice Gas Pool, Lea County, New Mexico.

1	SCALE	1"=1320'	DRAWN	CHECKED
2	DATE	10-22-57	TRACED	JOB NO.



TIDWATER OIL COMPANY

POST OFFICE BOX 731
TULSA 2, OKLAHOMA

*Average as listed to
160 acres R-625
6-1-58.
E. J. O.*

LAW DEPARTMENT
CENTRAL DIVISION
HARRY D. PAGE
DIVISION COUNSEL
CLOY D. MONZINGO
JACK D. JONES

May 7, 1958

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Jack Cooley, Attorney

Re: Application of Amerada Petroleum Corporation
for unorthodox gas proration unit,
portions of Sections 24 & 25-25S-37E
Lea County, New Mexico

Gentlemen:

This is to advise that Tidewater Oil Company will not protest the application of Amerada Petroleum Corporation for an unorthodox gas proration unit for production from the Glorietta Sand covering the W/2 SW/4 Sec. 24 and NW/4 and SW/4 NE/4 Sec. 25-25S-37E, Lea County, New Mexico.

As you have previously been advised, and in furtherance of our telephone conversation of May 5, Tidewater had planned to take steps to place all of the S/2 of Section 24 into a standard 320 acre unit, in cooperation with Amerada. We had also planned to place all of the N/2 of Section 24 into a standard 320 acre unit in cooperation with Western Natural Gas Company. For budget reasons we are not at this time actively attempting communitization of these two half sections, although it is still our hope that we might ultimately be able to accomplish this allocation. Therefore, it is hoped that Amerada's application, if granted, will not result in preventing the ultimate assignment of all of the S/2 of Section 24 to the well located in that section should the parties be able to agree upon communitization at a future date.

As stated above, we do not have active negotiations pending at this time with respect to Section 24, but it is our plan to recommence negotiations with Western Natural in the near future.

Yours very truly,

Jack D. Jones
Jack D. Jones

JDJ:nf

cc: Amerada Petroleum Corporation-Tulsa
ATTN: Mr. R. B. Christie

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. 824
Order No. R-605

THE APPLICATION OF TIDE WATER
ASSOCIATED OIL COMPANY FOR AN
ORDER GRANTING APPROVAL OF AN
EXCEPTION TO RULE 7 OF ORDER
R-375-A, THE SPECIAL RULES AND
REGULATIONS FOR THE JUSTIS GAS
POOL, IN THE FORMATION OF A 160-
ACRE NON-STANDARD GAS PRORATION
UNIT CONSISTING OF THE SE/4 NW/4,
W/2 NE/4, AND NE/4 NE/4 OF SECTION
24, TOWNSHIP 25 SOUTH, RANGE 37
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 10th day of March, 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 7 (a) of the Special Rules and Regulations for the Justis Gas Pool, as set forth in Order No. R-375-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter-section after notice and hearing by the Commission.
- (3) That applicant, Tide Water Associated 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:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SE/4 NW/4, W/2 NE/4, and NE/4 NE/4 of Section 24

containing 160 acres, more or less.

(4) That applicant, Tide Water Associated Oil Company, has a producing gas well on the aforesaid lease, known as the A. B. Coates "C" Well No. 1, located in SE/4 NW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, within the horizontal limits of the Justis Gas Pool.

(5) That it is impractical to pool applicant's said lease with adjoining acreage in Section 24, and that the owners of adjoining acreage have not objected to the formation of the proposed 160-acre proration unit.

(6) That all of the above-described acreage in the proposed unit is reasonably presumed to be productive of gas from the Justis Gas Pool, and that unless a proration unit consisting of said acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas from the Justis Gas Pool.

(7) 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 Tide Water Associated Oil Company for approval of a 160-acre non-standard gas proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SE/4 NW/4, W/2 NE/4, and NE/4 NE/4 of Section 24

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

(2) That applicant's well, A. B. Coates "C" Well No. 1, located in SE/4 NW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above-described 160-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, Chairman
E. S. Walker, Member
W. B. Macey, Member and Secretary

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