

NEVILLE G. PENROSE, INC.
FAIR BUILDING
FORT WORTH 2, TEXAS

MAIN OFFICE OGC

May 16, 1960

1960 MAY 21 PM 1 23

NSP
Approved June 23
(Waiting)

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

Re: Application for 80-acre non-standard
gas proration unit, Tabbs Gas Pool,
comprising the S/2 of the NE/4 of
Section 5, T-22-S, R-37-E, Lea County,
New Mexico

Gentlemen:

Neville G. Penrose, Inc. hereby makes application for administrative approval of a non-standard gas proration unit comprising the S/2 of the NE/4 of Section 5, T-22-S, R-37-E, Lea County, New Mexico, and, in support thereof, states the following facts:

1. Neville G. Penrose, Inc. is owner and operator of two oil and gas leases known as the Grizzell (SW/4 of NE/4, Section 5) and Christmas Cowden (SE/4 of NE/4, Section 5) leases.

2. Neville G. Penrose, Inc. proposes that the above described acreage be established as a non-standard 80-acre gas proration unit in exception of Rule 5 of Oil Conservation Commission Order R-586.

3. The Grizzell #1 well, located 1760' from the North and East lines of Section 5, T-22-S, R-37-E, was completed as a Drinkard oil well on November 13, 1950. We propose to dually complete this well in the Drinkard and Tubbs zones. (Application for dual completion accompanies this application for non-standard unit).

4. The proposed non-standard gas proration unit will meet the requirements of Rule 5 of Oil Conservation Commission Order R-586 as follows:

- a. Contiguous quarter-quarter sections will comprise the unit.
- b. The proposed unit lies wholly within a single governmental section.
- c. All acreage within the proposed unit may reasonably be presumed productive of gas.
- d. The length or width of the proposed unit does not exceed 2640'.
- e. Neville G. Penrose, Inc. is operator of all acreage comprising the proposed unit as shown on the attached plat, and by copy of this letter of application, all operators owning an interest within this section and all operators within 1500' of the proposed unit well are notified of the intent of Neville G. Penrose, Inc. to form the proposed non-standard gas proration unit.

5. The approval of this application for the 80-acre non-standard gas proration unit will, in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.

In view of the existence of the facts herein stated and in compliance with the provisions of Rule 5 of the Oil

-3-

Conservation Commission's Order R-586, Neville G. Penrose, Inc. respectfully requests that the Secretary of the Commission approve the above described non-standard gas production unit.

Very truly yours,

NEVILLE G, PENROSE, INC.

By 

Glenn G. Neill

GGN/cm

cc: Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Southern Petroleum Exploration, Inc.
White Building
Roswell, New Mexico

G. R. Zachary
Stark Building
Box 1685
Hobbs, New Mexico

Gulf Oil Corporation
Petroleum Building
Roswell, New Mexico

Tidewater Oil Company
P. O. Box 1231
Midland, Texas

Pan American Petroleum Corporation
P. O. Box 1540
Midland, Texas

Ohio Oil Company
P. O. Box 552
Midland, Texas

Skelley Oil Company
P. O. Box 1650
Tulsa, Oklahoma

Neville G. Penrose, Inc.
P. O. Box 988
Eunice, New Mexico

William Fleming
Fair Building
Fort Worth, Texas