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July 16, 1964

ROBERT B. RAY
PETROLEUM ENGINEER
TRUST DIVISION

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

Re: Application by Clara T. Scott and
First National Bank in Dallas,
Trustee of The Paul P. Scott Trust
for a Non-Standard Gas Proration Unit
for their R. L. Gates A-23 #1 Well
in the Jalmat Gas Pool of
Lea County, New Mexico

Gentlemen:

R-1670

Pursuant to New Mexico Conservation Commission Order ~~R-520~~, Clara T. Scott and the First National Bank in Dallas, Trustee of the Paul P. Scott Trust respectfully submit this application for a 40 acre Non-Standard Gas Proration Unit consisting of the NW/4 of the NW/4 of Section 23, T-24-S, R-36-E, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to Paul P. Scott Trust - R. L. Gates #1.

The following information is offered in support of this application:

1. That Clara T. Scott and the First National Bank in Dallas, Trustee of the Paul P. Scott Trust own all of the working interest in the subject R. L. Gates A-23 Lease, which is described as the NW/4 of the NW/4 of Section 23, T-24-S, R-36-E, N.M.P.M., Lea County, New Mexico, containing 40 acres more or less.
2. That the R. L. Gates #1 well is located 660 feet from the West Line and 660 feet from the North Line of the said Section 23. The subject well was originally completed in the Seven Rivers zone, but has been plugged back to a total depth of 3,270 feet and is now producing gas from perforations in the 5 1/2" casing from 3,055 to 3,264 feet in the Yates zone. After fracture treatment, the well tested 1,648 MCF/day on a 27/64ths choke on June 4, 1964.

3. That attached hereto, marked Exhibit "A", is a plat showing the acreage to be dedicated, the offset ownership, and the location of the R. L. Gates #1 well.
4. That attached hereto, marked Exhibit "B", is a list of names and addresses of all offset operators within 1980 feet of the proposed unit or located within the Section in which the proposed unit is situated. All such operators have been furnished a copy of this application by registered mail and Waivers have been requested. When all the Waivers have been received, they will be forwarded to the New Mexico Oil Conservation Commission Office in Sante Fe, New Mexico.
5. That approval of the proposed 40 acre Non-Standard Gas Proration Unit will, in the opinion of the Applicants, protect correlative rights and prevent waste of natural resources.

In view of the above stated facts, the applicants respectfully request that this application for a Non-Standard Gas Proration Unit of 40 contiguous acres be granted.

Respectfully Submitted,


Robert B. Ray
Petroleum Engineer
Oil Section

RBR'bd

EXHIBIT "B"

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

Humble Oil & Refining Company
720 N. Grimes
Hobbs, New Mexico

Mobil Oil Company
P. O. Box 633
Midland, Texas

Phillips Petroleum Company
P. O. Box 2105
Hobbs, New Mexico

Texas Pacific Oil Company
P. O. Box 1069
Hobbs, New Mexico 88240

Thompson & Cone
% Mr. L. O. Storm
209 Turner Street
Hobbs, New Mexico