

# PETROLEUM DEVELOPMENT CORPORATION

9720-B CANDELARIA, NE  
ALBUQUERQUE, NEW MEXICO 87112  
TELEPHONE (505) 293-4044

January 17, 1978

New Mexico Oil Conservation Commission  
PO Box 2088  
Santa Fe, New Mexico 87501

Attention: Joe D. Ramey

*File of -R-2373  
Feb 18, 1978*

RE: Application for Non-Standard Gas  
Proration Units for Petroleum  
Development Corporation in Sec. 10,  
T19S, R32E, Lea County, New Mexico

Dear Mr. Ramey:

In accordance with Rule 4 of Order R-2372 (establishing temporary pool rules for the Lusk Morrow Field, made a permanent order in 1975) Petroleum Development Corporation hereby makes application for administrative approval of exception to Rule 2 which requires each proration unit to contain 640 acres.

Approval is requested for a 320-acre non-standard gas proration unit comprising the west half of Section 10, Township 19 South, Range 32 East, Lusk Morrow Field, Lea County, New Mexico, for the recently-completed Sun-McKay Federal #1. Previous dedication of a 640-acre unit comprising all of Section 10, T19S, R32E, has been approved.

Approval is also requested for a 320-acre non-standard gas proration unit comprising the east half of Section 10, Township 19 South, Range 32 East, Lusk Morrow Field, Lea County, New Mexico. The proposed well for this unit, the Sun-McKay Federal #2, would be drilled at a location 1980' from North and East lines of Section 10.

Letters of request for a waiver of objection together with copies of this application have been sent to all offset operators by certified mail as indicated by the attached listing.

The following reasons are set forth for this request:

1. The entire 640-acre proration unit may reasonably be presumed productive of gas from the Lusk Morrow Field, and can be efficiently and economically drained by the two aforesaid 320-acre non-standard gas proration units.
2. For the last several years, the 320-acre proration unit has been assigned to most Morrow gas wells and has been considered appropriate to economic and reservoir-drainage considerations.

*ASP-1083*

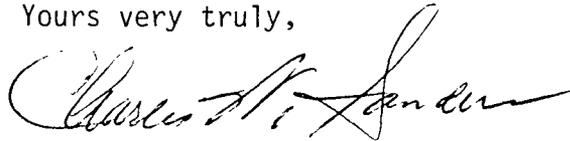
New Mexico Oil Conservation Commission

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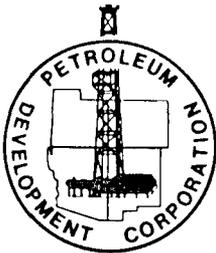
3. Recent drilling of second wells on 640-acre proration units in the Lusk Morrow Field have resulted in apparent economic producers. This, together with the lenticular nature of the Morrow sands, would seem to indicate that the smaller-size proration unit would not violate correlative rights of offset operators.
4. Approval of this application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Lusk Morrow Field, will prevent the economic loss caused by lack of efficient drainage, and will otherwise prevent waste and protect correlative rights.

Yours very truly,



Charles W. Sanders  
Vice President

CWS/pb



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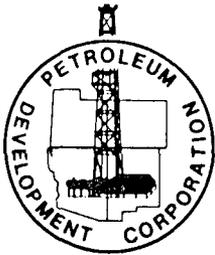
January 17, 1978

RE: Application for Non-Standard Gas  
Proration Units for Petroleum  
Development Corporation in Sec. 10,  
T19S, R32E, Lea County, New Mexico

## NOTIFICATION LIST

Copies of the above-captioned application have been mailed this date, January 17, 1978, to the following lessees of record at Morrow depths or designated operators in the sections shown, all in Township 19 South, Range 32 East, Lea County, New Mexico:

Section 4, 16	Amoco Production Company PO Box 3092 Houston, Texas 77001 Attn.: Greg Allen	Section 14	Southland Royalty 1600 First Nat'l. Bldg. Fort Worth, Texas 76102 Attn.: Joe B. Stanley, V.P.
Section 14, 15	Sun Oil Company PO Box 2880 Dallas, Texas 75221 Attn.: Ed Stine	Section 14	Mr. W. J. Balkus, Jr. PO Box 217 Bolton, Connecticut 06040
Section 11	Sunmark Exploration Company 415 W. Wall, Suite 2007 Midland, Texas 79701 Attn.: Bill Johnson	Section 4	Ms. Evelyn Chambers C/ Jerry Chambers 1720 Lincoln Center Denver, Colorado 80203
Section 2,3,4	Gulf Oil Company PO Box 1150 Midland, Texas 79701 Attn.: Robert E. Griffith		
Section 2	J. M. Huber 1900 Wilco Bldg. Midland, Texas 79701 Attn.: Jerry Dunnam		
Section 3	Shell Oil Company PO Box 1509 Midland, Texas 79701 Attn.: Bill Kouns		
Section 14	Bass Brothers Enterprises - Richardson Oils, Inc. Perry R. Bass	- 3100 Fort Worth National Bank Bldg. Fort Worth, Texas 76102 Attn.: W. A. Hamilton, V.P.	



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ALBUQUERQUE, NEW MEXICO 87112  
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January 17, 1978

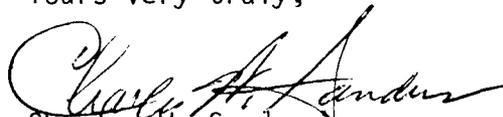
RE: Application for a Non-Standard Gas  
Proration Units for Petroleum  
Development Corporation in Sec. 10,  
T19S, R32E, Lea County, New Mexico

Gentlemen:

Petroleum Development Corporation respectfully requests your timely assistance in the matter of your waiving objection to the subject application, copy attached, for 320-acre proration units in lieu of standard 640-acre unit.

The reasons for requesting these non-standard units are set forth in the attached application. Thank you for your assistance.

Yours very truly,

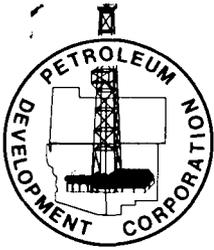
  
Charles W. Sanders  
Vice President

WAIVER OF OBJECTION:

\_\_\_\_\_ hereby waives objection to the above-proposed non-standard gas proration units for Petroleum Development Corporation, said 320-acre units to comprise all of Section 10, Township 19 South, Range 32 East Lea County, New Mexico.

COMPANY: \_\_\_\_\_

BY: \_\_\_\_\_



FEB 20 1978

# PETROLEUM DEVELOPMENT CORPORATION

9720-B CANDELARIA, NE  
ALBUQUERQUE, NEW MEXICO 87112  
TELEPHONE (505) 293-4044

February 17, 1978

Mr. Joe D. Ramey, Secretary-Director  
New Mexico Oil Conservation Commission  
PO Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

RE: Application for Non-Standard Gas Proration  
Units for Petroleum Development Corporation  
in Section 10, T19S, R32E, Lea County,  
New Mexico (our letter request dated 1/17/78)

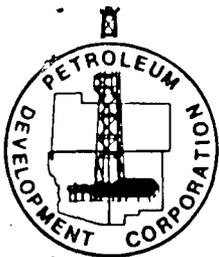
Attached herewith is the waiver of objection executed  
by Bass Brothers Enterprises, et al, for your  
disposition.

We have not received the waiver from Wallace J.  
Balkus, Jr., since we have been unable to contact  
him; however, upon receipt we shall promptly  
forward to you.

Sincerely,  
PETROLEUM DEVELOPMENT CORPORATION

  
Charlotte Pendry

/cp



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TELEPHONE (505) 293-4044

320 15.8

January 17, 1978

Bass Brothers Enterprises  
Richardson Oils, Inc.  
Perry R. Bass  
3100 Fort Worth National Bank Bldg.  
Fort Worth, TX 76102

Attn.: W. A. Hamilton, V.P.

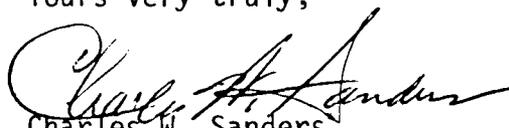
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Gentlemen:

Petroleum Development Corporation respectfully requests your timely assistance in the matter of your waiving objection to the subject application, copy attached, for 320-acre proration units in lieu of standard 640-acre unit.

The reasons for requesting these non-standard units are set forth in the attached application. Thank you for your assistance.

Yours very truly,

  
Charles W. Sanders  
Vice President

WAIVER OF OBJECTION:

C. W. Walts, Manager Outside Operations  
BASS ENTERPRISES PRODUCTION CO. hereby waives objection to the above-proposed non-standard gas proration units for Petroleum Development Corporation, said 320-acre units to comprise all of Section 10, Township 19 South, Range 32 East Lea County, New Mexico.

BASS BROTHERS ENTERPRISES  
RICHARDSON OILS, INC.

COMPANY: PERRY R. BASS

BY: 