



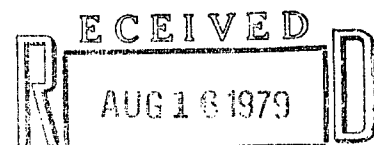
L. P. Thompson
Division Manager

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Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
1001 North Turner
Hobbs, NM 88240
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Two NSPs = 1147
Rule 5C-3
R-1670
9-15-79



OIL CONSERVATION DIVISION
SANTA FE

August 8, 1979

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Joe D. Ramey, Secretary Director

Gentlemen:

Proposed Restructure of 320-Acre Proration Unit - Sholes B-19 No. 1,
Jalmat Gas Pool, Section 19, T-25S, R-37E, Lea County, New Mexico.

Conoco Inc. respectfully proposes the cancellation of the subject 320-acre proration unit presently assigned to Sholes B-19 No. 1. This proration unit consists of the E/2 of the W/2 and the W/2 of the E/2 of Section 19, T-25S, R-37E, Lea County, New Mexico. It was approved under Commission Order R-1866.

In our request issued on July 30, 1979, we inadvertently missed the commitment of the E/2 of the NW/4 and the W/2 of the NE/4 of Section 19 to this proration unit. We proposed the reinstatement of the 160-acre proration unit, approved by NSP-363, as a simultaneous dedication for Sholes B-19 No. 2 and 3. NSP-363 preceded the current dedication to the 320-acre unit. It was rescinded effective August 27, 1958. We hereby request the withdrawal of this application.

Our revised proposal is to rescind the 320-acre unit approved under Commission Order R-1866 and to establish two 160-acre proration units. The recommended separation is as follows:

- #1 Sholes B-19 No. 1: ^N 160-acre dedication consisting of the E/2 of the SW/4 and the W/2 of the SE/4,
- #2 Sholes B-19 No. 2 ^C and 3: ^B 160-acre simultaneous dedication of the E/2 of the NW/4 and the W/2 of the NE/4,

Above in Section 19, T-25S, R-37E.

The proposed units will singularly conform to regulatory requirements as follows:

- 1) Said unit consists of contiguous quarter-quarter sections (and/or lots).

*place NSP granted
by R-1866 in abeyance*

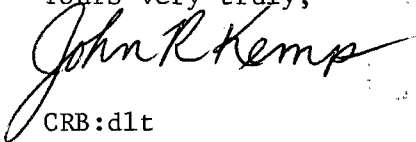
August 8, 1979

- 2) Said unit lies wholly within a single governmental section.
- 3) The entire proposed unit may be reasonably presumed to be productive of gas.
- 4) The length or width of said unit does not exceed 5,280 feet.
- 5) Copies of this application have been furnished by certified mail to all offset operators and all operators within said section.

The attached plats show the proposed unit, the location of the respective well(s) and offset ownerships.

Administrative approval is requested under R-1670 of the Special Rules and Regulations for the Jalmat Gas Pool.

Yours very truly,



CRB:dlt
Enclosure
CC/Enc.

New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

W. I. Owners

Atlantic Richfield Company
P. O. Box 1710
Hobbs, NM 88240

Amoco Production Company
P. O. Box 68
Hobbs, NM 88240

Chevron Oil Company
P. O. Box 1660
Midland, TX 79701

Offset Operators
(Other than W. I. Owners)

Ralph Lowe Oil Company
Box 832
Midland Tower Bldg.
Midland, TX 79701

Texas Pacific Oil Company
1700 One Main Place
Dallas, TX 75250

Reserve Oil Inc.
Box 245
Jal, NM 88252

Tenneco Oil Company
6800 Park Ten Blvd.
Suite 200 North
San Antonio, TX 78213

