

PENROC

Penroc Oil Corporation / P. O. Box 5970 / Hobbs, New Mexico 88241 / Telephone (505) 397-3596 / Telecopier (505) 393-7051

January, 13, 1989

State of New Mexico
Energy, Minerals and Natural Resources Department
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

Re: NSPU 280-acres
J. C. Johnson Well No. 4
Unit D, Section 20, Township 23 South, Range 37 East
Lea County, New Mexico

Gentlemen:

PENROC OIL CORPORATION requests administrative approval for a non-standard 280-acres proration unit for the captioned.

Earlier by Administrative Order SD-87-1, the well had simultaneous dedication with well no. 5, which is now a 40-acre Jalmat oil well. Also, by Administrative Order No. NSP-559 this well was dedicated 320-acres.

Your early approval of a 280-acres NSPU would be greatly appreciated. By copy of this letter all off-set operators have been informed of this application. Thank you.

Sincerely,

PENROC OIL CORPORATION



M. Y. Merchant
President

MYM/lm
Enclosures

CC: ↓ Samedan
↓ Texaco-Hobbs
James L. Evans
↓ Arco
↓ Chevron
OCD - Hobbs



Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator PENROC OIL CORPORATION			Lease J. C. JOHNSON			Well No. 4		
Unit Letter D	Section 20	Township 23S	Range 37E	County NMPM		LEA		

Actual Footage Location of Well:

660' feet from the NORTH line and 660' feet from the WEST line

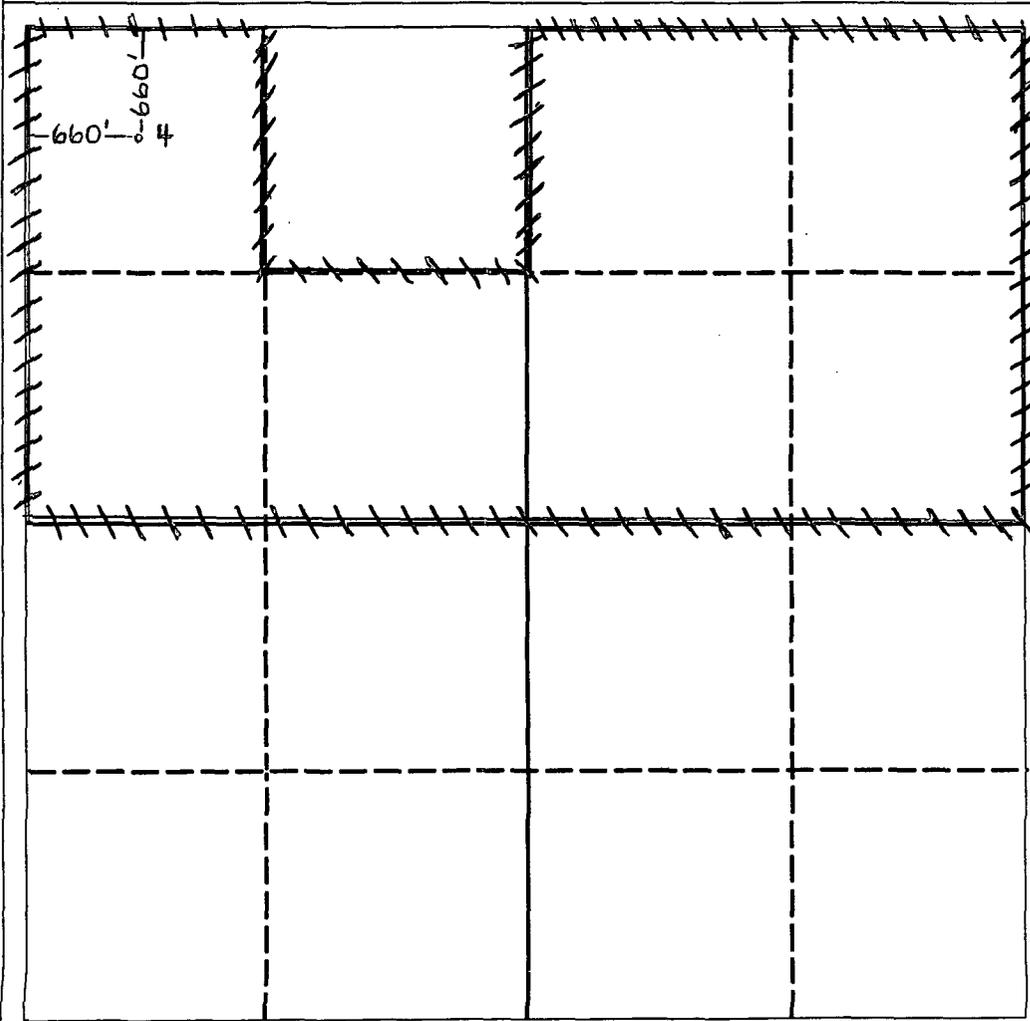
Ground level Elev. 3315' DF	Producing Formation JALMAT	Pool JALMAT TANSILL YATES 7-RVRS	Dedicated Acreage: 280 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary. _____)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.

M. Y. Merchant
Signature

M. Y. MERCHANT
Printed Name

PRESIDENT
Position

PENROC OIL CORPORATION
Company

JANUARY 13, 1989
Date

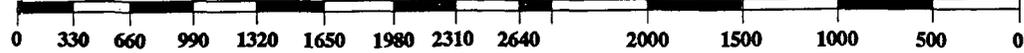
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Signature & Seal of Professional Surveyor _____

Certificate No. _____



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

December 1, 1987

Penroc Oil Corporation
P.O. Box 5970
Hobbs, NM 88241

Attention: M. Y. Merchant, President

Administrative Order SD-87-1

Dear Mr. Merchant:

Per your application dated November 20, 1987, Penroc Oil Corporation is hereby authorized to simultaneously dedicate a previously approved 320-acre non-standard gas spacing and proration unit (Division Administrative Order NSP-559, dated August 28, 1961) comprising the N/2 of Section 20, Township 23 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to your J.C. Johnson Wells No. 4 and 5 located in Units D and C, respectively, of said Section 20.

Sincerely,


WILLIAM J. LEMAY
Director

cc: OCD - Hobbs
NMO&GEC
Order File: NSP-559

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 28, 1961

Skelly Oil Company
Box 38
Hobbs, New Mexico

Attention: Mr. H. E. Aab, District Superintendent

Administrative Order NSF-559

Gentlemen:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

LEA COUNTY, NEW MEXICO
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 20: N/2

It is understood that this unit is to be dedicated to your J. C. Johnson Well No. 4, located 660 feet from the North line and 660 feet from the West line of said Section 20.

By authority granted me under the provisions of the Special Rules and Regulations for the Jalmat Gas Pool, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with the pool rules, based upon the unit size of 320 acres.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALF/RSM/esr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

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GOVERNOR

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