

NSP-78
160 ac now



January 11, 1955

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Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth 1, Texas

Attention: Mr. G. H. Fisher

Gentlemen:

Reference is made to your application for approval of a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the NW/4 and W/2 SW/4 of Section 16, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico. This acreage was to have been assigned to your Lea-State "DZ" Well No. 1, located 660' from the West and North lines of Section 16.

Order R-520, Rule 5 (a) paragraph 3, clearly limits, as to the well location, the number of acres that can be assigned a non-standard gas proration unit. This office is unable to grant approval of a non-standard gas proration unit for the above mentioned well of over 160 acres because of the said well's location to its boundaries.

If you have any information which we have not considered or if you should desire a hearing on this matter, please notify the Commission at your earliest convenience.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs

N. M. Oil & Gas Engineering Committee, Hobbs