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NSP-168 due 5/19/56

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MIDLAND, TEXAS
April 25, 1956

Re: Non-Standard Gas Proration Unit and
Unorthodox Location - N/2 of SE/4 of
Section 29, T-21-S, R-37-E, Blinebry
Gas Pool, Lea County, New Mexico

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Mr. A. L. Porter, Jr., Secretary-Director New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Sir:

The Ohio Oil Company respectfully requests that you grant this application of The Ohio for the approval of the location of the well stated below and for the designation and formation of an 80-acre non-standard gas proration unit consisting of the N/2 of SE/4 of Section 29, T-21-S, R-37-E, Blinebry Gas Pool, Lea County, New Mexico. The Ohio owns the oil and gas leasehold estate on the acreage included in the proposed unit. The well known as Wm. H. Turner Well No. 3, which is located on the acreage at a point 330° FEL and 660° FNL of the proposed unit, was completed October 1, 1949 in the Hare Pool and is to be recompleted as a gas well in the Blinebry Gas Pool.

All acreage included in the proposed unit is reasonably presumed to be productive of gas from the Blinebry Gas Pool. It is impractical to pool The Ohio's leasehold estate with adjoining acreage at this time; however, efforts are being commenced to negotiate a pooling agreement, and if such efforts are successful it is contemplated that application will be made to expand the unit. Unless the proposed proration unit is formed and the location of the well approved, The Ohio will be deprived of a fair opportunity to recover its just and equitable share of the natural gas in the Blinebry Gas Pool. The formation of the proposed proration unit and the approval of the location of the well will protect correlative rights and will not cause but will prevent waste.

A plat is attached hereto which indicates the location of the proposed unit and the location of the surrounding tracts. A copy of this application with plat attached has been sent by registered mail to each of the Operators named on the attached list.

The Ohio therefore requests that you grant an exception to the special rules and regulations for the Blinebry Gas Pool, that the location of said well be approved, that this application be granted, and that the proposed non-standard gas proration unit be designated and formed by you without further notice or hearing and pursuant to the provisions of the applicable rules and regulations, upon the expiration of thirty (30) days from this date.

Each and all of the foregoing statements are true and correct.

THE OHIO AIL COMPANY

Coe S. Mills, District Manager

Distribution list attached.

THE STATE OF TEXAS

COUNTY OF MIDLAND

Subscribed and sworn to before me, the undersigned authority, by COE S. MILLS, this 25th day of April, A. D. 1956, to certify which witness my hand and seal of office.

Notary Public in and for Midland

County, Texas

Operators Owning Interest in Same Section as proposed Non-Standard Gas Proration Unit

and

Operators Owning Interest within 1500 Feet of Wm. H. Turner Well No. 3

Gulf Oil Corporation Box 2167 Hobbs, New Mexico

Magnolia Petroleum Company Box 633 Midland, Texas

Sunray-Mid-Continent Oil Corp Box 128 Hobbs, New Mexico

Sinclair Oil & Gas Company P. O. Box 1122 Roswell, New Mexico

Stanolind Oil & Gas Company Box 899 Roswell, New Mexico

Proper notice of this application has been given the above operators at the addresses indicated.

