

Done 12/14/55

HOUSTON 1, TEXAS
November 10, 1955
8:53

Re: Application for 160-Acre
Non-Standard Gas Proration
Unit, Eumont Gas Pool,
Comprising SW¹/₄ Section 16,
T-20-S, R-37-E, Lea County,
New Mexico.

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

Tide Water Associated Oil Company hereby makes application for approval of a non-standard gas proration unit comprising the SW/4 Section 16, T-20-S, R-37-E, Lea County, New Mexico, and in support thereof states as follows:

- (1) The working interest ownership of the three tracts comprising the proposed 160-acre non-standard gas proration unit is:
 - (a) E/2 SW/4 Section 16, T-20-S, R-37-E, Tide Water Associated Oil Company, State Lease No. B-2330. *all common school lands*
 - (b) NW/4 SW/4 Section 16, T-20-S, R-37-E, Amerada Petroleum Corporation (oil rights), Tide Water Associated Oil Company (gas rights), State Lease No. B-3672.
 - (c) SW/4 SW/4 Section 16, T-20-S, R-37-E, Shell Oil Company (oil rights), El Paso Natural Gas Company (gas rights), State Lease No. B-1167. *Communitized sep. lands*
- (2) Tide Water Associated Oil Company and El Paso Natural Gas Company have executed a communitization agreement which has been approved by the Commissioner of Public Lands of the State of New Mexico, to form a 160-acre gas unit covering the SW/4 of Section 16, R-20-S, R-37-E. *9/10/55*
- (3) In order to obtain production of gas-well gas from the Eumont formation underlying the proposed non-standard gas unit, Tide Water Associated Oil Company is today filing its application for permit to drill and complete within the vertical limits of the Eumont Gas Pool Well #3, State "I" gas unit at a location 1650 feet

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East of the West line, and 990 feet North of the South line of Section 16, T-20-S, R-37-E.

- (4) There are no wells on the proposed unit acreage which are completed within and producing from the vertical limits of the Eumont Gas Pool.
- (5) The SE/4 of Section 16, T-20-S, R-37-E, has been previously designated by the Oil Conservation Commission as a non-standard gas proration unit of 160 acres.
- (6) The proposed non-standard gas proration unit will meet the requirements of Rule 5(b) of the Oil Conservation Commission Order No. R-520 as follows:
 - (a) The non-standard gas proration unit consists of contiguous quarter-quarter sections.
 - (b) The non-standard gas proration unit lies wholly within a single governmental section.
 - (c) The entire non-standard gas proration unit may reasonably be presumed to be productive of gas.
 - (d) The length or width of the non-standard gas proration unit does not exceed 5,280 feet.
 - (e) By copy of this letter of application, all operators owning interest in the section in which the non-standard gas proration unit is situated, and which acreage is not included in said non-standard gas proration unit, and all operators owning interest within 1500' of the proposed well, have been notified by registered mail of this application, as shown on attached mailing list.
- (7) A plat showing acreage to be dedicated, well location, and offset ownership, is attached.

In view of the facts herein stated and in compliance with the provisions of Rule 5(b) of the Special Rules and Regulations of the Eumont Gas Pool, as set forth in Order No. R-520, Tide Water Associated Oil Company requests that the above described non-standard gas unit be approved and a 160-acre unit allowable be assigned, effective on the first day of the month next succeeding the month in which this application is approved, or the date of filing of Form C-104 and Form C-110 and the gas-well plat on the proposed

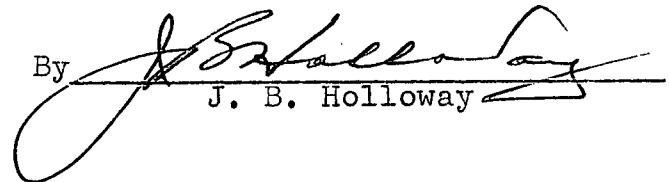
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Tide Water Associated Oil Company State "I" Gas Unit, Well #3, or on the date of connection of said well to a gas transportation facility, whichever is the later.

Respectfully submitted,

TIDE WATER ASSOCIATED OIL COMPANY

By


J. B. Holloway

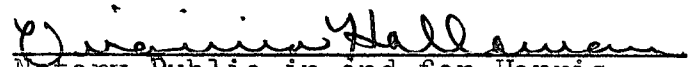
JBH:vh
Enclosure

AFFIDAVIT

STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared J. B. Holloway, known to me to be the person whose name is subscribed to the above application, who, being by me duly sworn on oath, states that he is duly authorized to make the above report and that he has knowledge of the facts stated therein, and that said report is true and correct to the best of his knowledge and belief.

Subscribed and sworn to before me this the 10th day of November, 1955.


Notary Public in and for Harris
County, Texas

VIRGINIA HOLLOMAN
Notary Public in and for Harris County, Texas

cc: Registered Mail - Return Receipt Requested:

✓ Amerada Petroleum Corporation

P. O. Box 2040

Tulsa, Oklahoma

Attn: Mr. R. S. Christie

✓ The Ohio Oil Company

P. O. Box 552

Midland, Texas

Attn: Mr. D. K. Spellman

✓ Oil Well Drilling Company

706 Dallas National Bank Building

Dallas, Texas

Magnolia Petroleum Company

P. O. Box 727

✗ Kermit, Texas

Attn: Mr. W. A. Daniel

✓ Continental Oil Company

P. O. Box 427

Hobbs, New Mexico

Stanolind Oil and Gas Company

✗ P. O. Box 899

Roswell, New Mexico

Sinclair Oil and Gas Company

✗ P. O. Box 1470

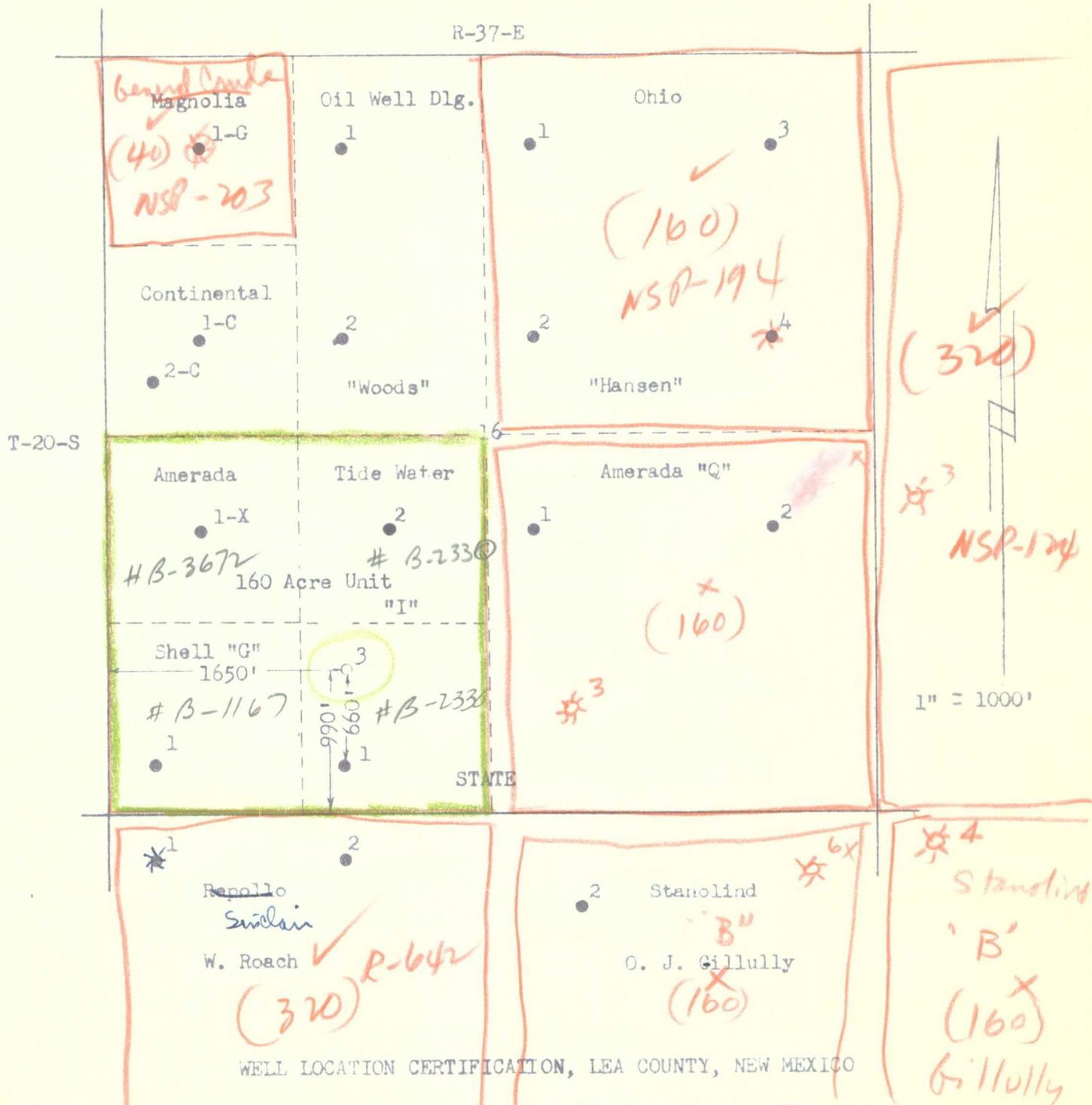
Hobbs, New Mexico

Oil Conservation Commission

State of New Mexico

P. O. Box 2045

Hobbs, New Mexico



WELL LOCATION CERTIFICATION, LEA COUNTY, NEW MEXICO

I, J. M. Amis, hereby certify that the location for Tide Water Associated Oil Company's Well No. 3, State "I" Lease is located by survey on the ground as represented by this plat.

Signed: J. M. Amis

"Plat amended Nov. 8, 1955."

Registered Civil Engineer
No. 5129, State of Texas

C
O
P
Y

September 20, 1955

Tide Water Associated Oil Company
P. O. Box 731
Tulsa 2, Oklahoma

Re: Tide Water-El Paso-Amerada
State "I" Well No. 3
SW/4 Sec. 16-20S-37E

Gentlemen:

We are enclosing six approved copies of the above designated Communitization. From our examination of the agreement we find in the caption of the agreement the State of New Mexico is made a party to the agreement. Please refer to Sec. 7-11-39 of the New Mexico Statutes 1953 Annotated, wherein it provides that "the Commissioner of Public Lands may consent to and approve the development or operation of state lands under agreements made by lessees of state land jointly or severally with other lessees of state lands---." Also, see Rules 42 and 43 of the "Rules Relating to Oil and Gas Leases", published by the New Mexico State Land Office, a copy of which is enclosed.

We are also enclosing Official Receipt in the amount of \$5.00.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

Encl.
cc: OCC-Santa Fe
MMR:m