Western Natural Gas Coffipieny CC 1006 MAIN STREETS JUN 15 PM 1:18

Kaustan 2, Texas

W. K. DAVIS

VICE-PRESIDENT

IN CHARGE OF

OPERATIONS

June 12, 1956

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

We herewith make application in triplicate for a gas proration unit of 160 acres consisting of the southwest quarter of Section 27, Township 22S, Range 36E, Lea County, New Mexico. This unit is to be assigned to our Shipley #1 well in the Jalmat Pool, located 990' from the south line and 1650' from the west line of Section 27-22S-36E. We attach herewith three copies of the plat of this unit showing acreage involved, the location of the well, and the offset ownership.

We wish to make the following statements in compliance with Order No. R-520:

- 1. Our Shipley #1 well was completed on June 6, 1947 as a gas well in the Yates-Upper Seven Rivers and in conformance with the rules and regulations in effect at that time.
- 2. This well is completed within the vertical limits and horizontal limits of the Jalmat Pool.
- 3. The location falls within the limits prescribed for a 160 acre unit by Rule 5 (a), Order No. R-520.
- 4. The unit consists of continuous and contiguous acreage.
- 5. The unit lies wholly within a governmental section.
- 6. In my opinion, the unit is reasonably productive of gas.
- 7. The unit does not exceed 5280' along its length or width.
- 8. By copy of this letter and plat, we have notified the following offset owners by registered U.S. Mail:

Continental Oil Company Box 427 Hobbs, New Mexico Gulf Oil Corporation Box 2127 Hobbs, New Mexico 8. (Con't)

R. Olsen Oil Company Drawer Z Jal, New Mexico

Mr. R. Clay 203 W. Midwest Hobbs, New Mexico

9. In my opinion, this well will produce the allowable normally assigned to a 160 acre gas proration unit.

Very truly yours,

PCW:mn

cc :G.P. Tyler

R.H. McKoy

Continental Oil Company

Gulf Oil Corporation

R. Olsen Oil Company

Mr. R. Clay

Mr. R. F. Montgomery, New Mexico Oil Conservation Commission

Box 2045, Hobbs, New Mexico

I hereby certify that the statements made in this application are true

and correct to the best of my knowledge and belief.

Chief Engineer

Title

SUBSCRIBED AND SWORN TO BEFORE ME THE LAZ DAY OF

COUNTY TEXAS

(SEAL)

MARY NICHOLS Notary Public in and for Harris County, Texas

| | | | DAT | June 8, 1956 | _ |
|-----------------|---|---|--|-----------------|-----------------|
| | WESTERN NATURAL GAS CO. Shiple: | | | 1 | _ |
| | Yates-Sev | en Rivers Jalr POOL | mat ACRES DED | WELL NO. 160 | - |
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| | THE DEDICATED ACRE | | | | |
| | | RANGE | 36E | | |
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| TOWNSHIP 225 | Meyer R. Olsen | •3 •4 Shipley |)− − − | (| TOWNSHIP 22S |
| | J. Dean | Western Nat. Gas 1 3990 990 Shipley | 1 A. Christmas | | |
| | R. Clay | Western Nat. G | as | | |
| | H. Esmond | 0. L. 5 | Jones | | |
| | I HEREBY CERTIFY TH | RANGE $\frac{36}{100}$ | NAME Tail | O. Hught | <i>)</i> |
| | GIVEN ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. | | POSITION Chief Engineer REPRESENTING Western Natural Gas Company ADDRESS 1006 Main St Houston; Texas | | |