DIL CONSERVATION COMMISSION P. D. BOX 871 SANTA FE, NEW MEXICO

September 9, 1957

Amerada Petroleum Corporation Drawer D Monument, New Mexico

Attention: Mr. D. C. Cappa

Administrative Order NSP-388

Gentlemen:

Reference is made to your application for approval of a 120-acre non-standard gas proration unit in the Bagley-Upper Pennsylvanian Gas Pool consisting of the following acreage:

Tewnship 12 South, Range 33 East N/2 SE/4 and SE/4 SE/4 SE/4 Section 3

It is understood that this unit is to be ascribed to your Mathers Well No. 2, located in the SE/4 SE/4 of the aforementioned Section 3. This well, formerly considered to be an oil well in the Bagley Pennsylvanian Oil Pool, should be reclassified as a gas well in the Bagley-Upper Pennsylvanian Gas Pool, inasmuch as the interval of completion is within the vertical limits of said pool, and the well is producing 68° API fluid with a gas liquid ratio of 28,147 cubic feet per barrel.

By authority granted me under provisions of Rule 2, Section (b) of the Special Rules and Regulations for the Bagley-Upper Pennsylvanian Gas Peel, as set forth in Order R-991, 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 Rule 3 of the peel rules, based upon the unit size of 120 acres.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

DSN:omg cc: Oil Conservation Commission, Hobbs New Mexico Oil & Gas Engineering Committee, Hobbs El Paso Natural Gas, Jal El Paso Natural Gas, El Paso New Mexico State Land Office (Mrs. Rhea)