C. C. S.

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

FORT WORTH. TEXAS

April 22, 1955

File: RGH-4203-986.510.1

Subject: Application for Non-Standard Gas Proration Unit Eumont Gas Pool Lea County, New Mexico

New Mexico Oil Conservation Commission (3) P. 0. Box 871 Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Gentlemen:

It is requested that a hearing be set on the application of the Stanolind Oil and Gas Company for an exception to Rule 5-A of that portion of New Mexico Oil Conservation Commission Order No. R-520 pertaining to the Eumont Gas Pool, Lea County, New Mexico. Exception to this rule will be sought for the purpose of forming a non-standard gas proration unit containing 360 acres comprising the SE/4, E/2 SW/4, S/2 NE/4, SE/4 NW/4 in Section 33, T-20-S, R-37-E, Lea County, New Mexico. This nonstandard unit would be assigned for gas allocation purposes to Stanolind's 0. J. Gillully "B" No. 3, located 660 feet from the south line and 1,980 feet from the west line of Section (2, T-20-S, R-37-E, as shown on the attached plat.

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The referenced well was originally completed in May, 1937, as an oil well in the Eunice Oil Field and was subsequently recompleted in May, 1954, as a gas well in the Eumont Gas Pool. For gas allocation purposes, this well is currently assigned a proration unit containing 160 acres comprising the E/2 SW/4, and W/2 SE/4, Section 33.

We would like to point out that the proposed non-standard unit is composed of contiguous quarter quarter sections which lie wholly within a single governmental section and that neither the length nor width of the proposed unit exceeds 5,280 feet. The entire proposed unit lies within the horizontal limits of the Eumont Gas Pool as defined by the Commission and may reasonably be presumed to be productive of gas.

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All of the acreage in the proposed unit is a part of a single basic lease, and the working interest and royalty interest are common throughout. There are no other wells in this proposed unit to which the acreage could be assigned for gas allocation purposes.

Yours very truly, he , 7. ter ALEX CLARKE, JR. ۲

Division Engineer

RGH:cp Attachments