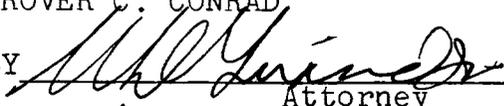


and grant unto said unit the allowable authorized for 160
acre proration units.

Respectfully submitted,

GROVER C. CONRAD

BY


Attorney

G/cl

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF GROVER C. CONRAD FOR EXCEPTION)
TO RULE 7 OF ORDER NO. R-368-A,)
ESTABLISHING AN UNORTHODOX 160 ACRE)
PRORATION UNIT COMPRISED OF THE)
W $\frac{1}{2}$ E $\frac{1}{2}$ OF SECTION 20, TOWNSHIP 26)
SOUTH, RANGE 37 EAST, N.M.P.M., LEA)
COUNTY, NEW MEXICO, THE WELL TO BE)
LOCATED 1,980 FEET WEST OF THE EAST)
LINE AND 1,980 FEET SOUTH OF THE)
NORTH LINE OF SAID SECTION.)

Case No. 180

COMES NOW Grover C. Conrad and files this his application for exception to Rule 7 of Order No. R-368-A establishing an unorthodox gas proration unit to be composed of the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 20, Township 26 South, Range 37 East, N.M.P.M., Lea County, New Mexico. The unit is located within the delineated area of the Jalco Pool. The well is to be drilled at a point located 1,980 feet South of the North line and 1,980 feet West of the East line of said section, and for cause would show:

1. That applicant is the owner of the oil and gas lease covering the properties described in the application and a well located at such point will adequately drain the acreage covered in the application.

2. That the acreage dedicated to the proposed unit has the same Western boundary line as that described in the area known as the Rhodes Storage Area, but lies without the area dedicated to the Rhodes Storage Area under Unit Agreements entered into between certain operators, the El Paso Natural Gas Company, the United States Government and the State of New Mexico. Unitization of said acreage with other acreage contained within the section is impractical.

WHEREFORE, applicant prays that upon a hearing the Commission grant applicant an exception to Rule 7 of Order No. R-368-A and establish as a proration unit under the rules of the Commission, governing the proration units in the Jalco Pool, the W $\frac{1}{2}$ E $\frac{1}{2}$ of said section as one proration unit of 160 acres