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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF )  
THE TEXAS COMPANY FOR AN EXCEPTION TO )  
ORDER NO. R-370-A TO PERMIT APPLICANT )  
TO ASSIGN AN UNORTHODOX 160-ACRE GAS )  
PRORATION UNIT TO ITS STATE "J" LEASE, )  
LOCATED IN E $\frac{1}{2}$ W $\frac{1}{2}$  OF SECTION 24, TOWNSHIP )  
19 SOUTH, RANGE 36 EAST, LEA COUNTY, )  
NEW MEXICO. )

CASE NO. 700

PETITION

Comes now The Texas Company, Petitioner herein, and respectfully shows to the Honorable Oil Conservation Commission of the State of New Mexico, as follows:

I.

That the Petitioner is the owner and operator of an oil and gas lease known as its State "J" Lease, covering the E $\frac{1}{2}$ W $\frac{1}{2}$  of Section 24, Township 19 South, Range 36 East, Lea County, New Mexico. Order No. R-370-A requires standard proration units to be in the form of a square, which is a governmental quarter-section. This Petitioner desires to form an unorthodox gas proration unit consisting of the E $\frac{1}{2}$ W $\frac{1}{2}$  of Section 24, Township 19 South, Range 36 East.

II.

That the Petitioner proposes to drill its No. 3 well located 1980 feet from the North and 1980 feet from the West lines of Section 24 on the aforesaid lease as a gas well to produce from the Eumont Gas Pool.

III.

Unitization of portions of this tract with other tracts within Section 24 so as to form a standard 160-acre gas proration unit is impracticable; that permission has heretofore been requested by the Sun Oil Company in Case No. 663 before this Commission to drill its L. L. Barr Well No. 2 in the NW $\frac{1}{4}$  of the SW $\frac{1}{4}$  of Section 24, Township 19 South, Range 36 East, wherein a 160-acre

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1 proration unit consisting of the  $W\frac{1}{2}W\frac{1}{2}$  of said Section is the acreage assigned  
2 to said well.

3 IV.

4 At the present time, to Petitioner's knowledge, there has been no gas  
5 well drilled in the Eumont Gas Pool within the  $NW\frac{1}{4}$  of Section 24, Township 19  
6 South, Range 36 East.

7 V.

8 That the granting of this application will not interfere with the estab-  
9 lishment of four 160-acre proration units with four reasonably spaced gas  
10 wells within the Section.

11 VI.

12 Attached hereto and incorporated herein by reference is a plat showing  
13 the location of the unit well, the outline of the proposed 160-acre gas pro-  
14 ration unit, and other tracts in the Section and other wells located thereon.

15 WHEREFORE, Petitioner prays that this matter be set for hearing, that  
16 notice be given thereof as required by law, and that upon final hearing, the  
17 Oil Conservation Commission of the State of New Mexico enter its order, autho-  
18 rizing Petitioner to assign an unorthodox gas proration unit to its Well No.  
19 3 in accordance with this Petition, and the rules and regulations of the Oil  
20 Conservation Commission.

21 Respectfully submitted,

22 THE TEXAS COMPANY

23 By   
24 Its Attorney.