

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

FORT WORTH, TEXAS

C. F. BEDFORD

DIVISION PRODUCTION SUPERINTENDENT

December 28, 1954

File: RGH-4649-175

Subject: Application for Exception to
Rule 5(a), Order No. R-520,
Jalmat Gas Pool, Lea County,
New Mexico

New Mexico Oil Conservation Commission (3)
P. O. 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 part of New Mexico Oil Conservation Commission Order No. R-520 pertaining to the Jalmat Gas Pool, Lea County, New Mexico. Exception to this rule will be sought for Stanolind's C. Myers "B" No. 11, located 660 feet from the north line and 1980 feet from the east line of Section 6, T-24-S, R-37-E, Lea County, New Mexico. The referenced well was completed on May 18, 1952, as a dual completion, with gas being produced from the Jalmat Gas Pool and oil being produced from the underlying Langlie-Mattix Oil Pool. This dual completion was accomplished under authority granted in Commission Order No. R-130, dated March 6, 1952.

For purpose of gas allocation, this well is currently assigned a gas proration unit comprising the 160 acres in the NE/4 of Section 6, T-24-S, R-37-E. Under the provisions of Order No. R-520, a standard proration unit consists of 640 acres. We should like to point out that Stanolind Oil and Gas Company is the operator of the 160-acre tract in the NW/4 of Section 5, T-24-S, R-37-E and the combined 320 acres represent a single basic lease with common working interest and royalty ownership throughout.

In our opinion, the most practical manner to assign this acreage for proration purposes is to form a non-standard proration unit of 320 acres comprising the NE/4 of Section 6 and the NW/4 of Section 5.

All of the acreage in the proposed non-standard unit lies within the horizontal limits of the Jalmat gas pool as defined in

New Mexico Oil Conservation Commission

December 27, 1954

Order No. R-520, and we are of the opinion that all of the acreage is reasonably proven productive of gas. Necessary information in support of this contention will be presented at the hearing.

A copy of this application is being transmitted to all offset operators.

Yours very truly,



RGH:cp

cc: Amerada Petroleum Company
P. O. Box 2040
Tulsa, Oklahoma

Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth, Texas

Magnolia Petroleum Company
P. O. Box 900
Dallas, Texas

R. Olsen
2808 Liberty Bank Building
Oklahoma City, Oklahoma

Shell Oil Company
P. O. Box 1509
Midland, Texas

Skelly Oil Company
1650 Skelly Building
Tulsa, Oklahoma

The Texas Company
P. O. Box 1720
Fort Worth, Texas

Western Natural Gas Company
1006 Main Street
Houston 2, Texas