

TEXAS PACIFIC COAL AND OIL COMPANY

Hobbs, New Mexico

October 6, 1961

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Texas Pacific Coal and Oil Company's application for a 320 acre non-standard gas proration unit and the rededication of a 320 acre non-standard gas proration unit in Section 8, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico

Gentlemen:

Texas Pacific Coal and Oil Company respectfully requests approval under the provisions of Rule 5 (c) of the General Rules and Regulations for Prorated Gas Pools of Southeast New Mexico of Order No. R-1670 for the formation of a 320 acre non-standard gas proration unit for State "A" A/c-2, Well No. 56 and rededication of the 320 acre non-standard gas proration unit now assigned to State "A" A/c-2, Well No. 43.

Said Section 8 is now dedicated as follows: The West 1/2 is dedicated to State "A" A/c-2, Well No. 37 located 1980' from the south and west lines of Section 8. The East 1/2 is dedicated to State "A" A/c-2, Well No. 43 located 1650' from the north line and 990' from the east line of Section 8.

Texas Pacific Coal and Oil Company proposes to abandon Well No. 37 and dedicate the North 1/2 of Section 8 (320 acres) to Well No. 43; which has been producing gas from the Jalmat Gas Pool since November, 1957, and dedicate the South 1/2 of Section 8 (320 acres) to Well No. 56. State "A" A/c-2, Well No. 56 is 1980' from the south and east lines of Section 8 and was completed in the Yates formation of the Jalmat Gas Pool in August, 1961.

In support of this request, the following requirements of said Rule 5 (c) are conformed to for the proposed non-standard gas proration units:

1. Said units consist of less than 640 acres.
2. Said units consist of contiguous quarter-quarter sections.
3. Said units lie wholly within a single governmental section.
4. Said units may reasonably be presumed to be productive of gas.
5. The length or width of said units do not exceed 5280 feet.
6. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1500 feet of said wells.

At present, State "A" A/c-2, Well No. 43 is over produced and State "A" A/c-2, Well No. 37 is under produced. Texas Pacific Coal and Oil Company requests that this overage and underage be reassigned by the Oil Conservation Commission to Wells No. 43 and 56 in the most equitable manner.

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the wells and the offset ownership.

In view of these facts set out herein, it is respectfully requested that the Oil Conservation Commission grant administrative approval of the non-standard gas proration units for Texas Pacific Coal and Oil Company's State "A" A/c-2, Well No. 43 and 56 as described above.

Yours very truly,

TEXAS PACIFIC COAL AND OIL COMPANY

By *Jerry Eskew*
Jerry Eskew, Petroleum Engineer

STATE OF NEW MEXICO §

COUNTY OF LEA §

Subscribed and sworn to before me, the undersigned authority by JERRY ESKEW on this 6th day of October, 1961, to certify which witness my hand and seal of this office.

Barbara Harrel
Notary Public in and for Lea County,
New Mexico

My commission expires Jan. 22, 1964.

Copies by Registered Mail to:

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Gulf Oil Corporation
P. O. Drawer 669
Roswell, New Mexico

Continental Oil Company
825 Petroleum Building
Roswell, New Mexico

The Ohio Oil Company
P. O. Box 2107
Hobbs, New Mexico

Oil Well Drilling Company
708 Dallas National Bank Building
Dallas 1, Texas