

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268
Lubbock, Texas
December 17, 1962

File: JET-4470-986.510.1

Subject: Application for Temporary Rules
And Approval of a Non-Standard
Proration Unit - Undesignated
Tubb Gas Pool, Section 15 & 22,
T-24-S, R-37-E, Lea County,
New Mexico

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Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir,

Pan American Petroleum Corporation respectfully requests that a hearing be docketed to consider its application for adoption of temporary rules for the Undesignated Tubb Gas Pool located in Sections 15 and 22, T-24-S, R-37-E, Lea County, New Mexico, and to designate this field as the Fowler-Tubb Gas Pool.

In our opinion, the information available to date regarding this field indicates the necessity for, and we plan to request, the following temporary rules: (1) 320-acre well spacing; (2) all wells drilled or recompleted in the field subsequent to the effective date of the rules to be located no closer than 660' to any outer boundary of the 320-acre proration unit; and (3) optional proration units to consist of either the N/2, S/2, E/2, or W/2 of a governmental section.

At the present time the subject field contains one producing gas well, Pan American's South Mattix Unit No. 14, and we plan to recomplate in the immediate future the South Mattix Unit No. 3 to the Tubb Formation. In our opinion, the establishment of the above rules on a temporary basis will be in the interest of conservation and protection of correlative rights.

In regard to the above discussed planned recompletion of our South Mattix Unit No. 3, it is respectfully requested that the notice of hearing be sufficiently broad to allow consideration of our request for a non-standard proration unit under the above requested field rules for Well No. 3 to consist of the NE/4, E/2 of the NW/4, and the N/2 of the SE/4 of Section 22, T-24-S, R-37-E. Pan American is the operator of the South Mattix Unit, and because of the unit outline in the vicinity of Well No. 3, the above requested non-standard unit for this well will allow utilization of acreage within the larger South Mattix Unit.

Yours very truly,

Neil S. Whitmore
Neil S. Whitmore

JTR/dp

NS