THE OHIO OIL COMPANY

P.O. BOX 552

MIDLAND, TEXAS

AND JULY 3/27/57

Pebruary 20, 1957

Subject: Application for Authority to Dually

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Application for Authority to Dually Complete The Ohio Oil Company's Edith Butler "B" Well No. 1, Tubb Gas Pool, and for Approval of an 30 acre Non-Standard Gas Proration Unit, consisting of the N/2 SE/4, Section 13, Twp. 22-S, Range 5/-E, Lea County, New Mexico.

4 pm

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

Dear Mr. Porter:

The Ohio Oil Company respectfully requests that the Oil Conservation Commission grant this application of The Ohio for authority to dually complete its Edith Butler "B" Well No. 1. located in the NE/4 SE/4 of Section 13, Twp. 27.5. Range 37.5. Lea County, New Mexico, now producing oil from the Urinkard Oil Pool. The Ohio desires to dually complete this well in the Tubb Gas Pool in such a matter as to produce gas through the annulus between the casing and tubing and to continue producing oil from the Drinkard Oil Pool through the tubing. The Ohio intends to install an efficient packer between the two zones and to perform the completion so as to prevent waste in each reservoir. A schematic diagram showing the proposed method for dually completing this well is attached. Subsequent to the completion of the work, Ohio will present to the Commission data showing the detail completion program as well as plans for future testing which will be made regularly to determine that waste is not occurring in either reservoir.

The New Mexico Oil Conservation Commission Order No. DC-247, dated October 27, 1955, granted the Ohio authority to dually complete the Edith Butler "B" Well No. 1 in the Blinebry Gas Pool and Drinkard Oil Pool. The dual completion in the Blinebry Gas Pool and the Drinkard Oil Pool was not attempted, and The Ohio Oil Company now desires to dually complete the well in the Tubb Gas Pool and Drinkard Oil Pool.

The Ohio Oil Company further respectfully requests approval under the provisions of Rule 5 (d) of the Special Rules and Regulations for the Tubb Gas Pool, Order No. R-586, for an 80 acre non-standard proration unit, consisting of the N/2 SE/4, Section 13, Twp. 22-5, Range 37-E, Lea County, New Mexico. The Ohio owns the oil and gas leasehold estate on the acreage included in the proposed proration unit and the well to be dually completed in the Tubb Gas Pool and Drinkard Oil Pool, known as the Edith Butler "B" Well No. 1, located at a point 660' from the North line and 660' from the East line of the proposed unit.

All acreage included in the proposed unit is reasonably presumed to be productive of gas from the Tubb Gas Pool. It is impractical to pool the Ohio leasehold estate with adjoining acreage at this time; however, efforts are being commenced to negotiate a pooling agreement, and if such efforts are successful, it is contemplated that application will be made to expand the unit. Unless the proposed proration is formed, The Ohio will be deprived of a fair opportunity to recover its just and equitable share of the natural gas in the Tubb Gas Pool. The formation of the proposed proration unit will protect correlative rights and will not cause, but will prevent, waste.

A plat is attached hereto which indicates the location of the proposed unit, the well and the location of the surrounding tracts. A copy of this application with diagram and plat attached has been sent by registered mail to each of the operators named on the attached mailing list.

THE OHIO OIL COMPANY

(ORIGINAL SIGNED)

By GOE S. MILLS

Coe S. Mills

District Manager

CSM:DEM: IW

THE STATE OF TEXAS

COUNTY OF MIDLAND !

Subscribed and sworn to before me by ____COE S. MILLS on this the 20th day of February, A. D., 1957, to certify which witness my hand and seal of office.

Notary Public in and for Midland County, Texas. OFFSET OPERATORS TO THE OHIO OIL COMPANY EDITH BUTLER "B" LEASE Sec. 13, T-22-S, R-37-E LEA COUNTY, NEW MEXICO

Cosden Petroleum Corporation P. O. Box 1311 Big Spring, Texas

Gulf Oil Corporation P. O. Box 2167 Hobbs, New Mexico

Humble Oil and Refining Company P. O. Box 2347 Hobbs, New Mexico

R. Olsen Oil Company Jal, New Mexico

N. G. Penrose, Inc. 1018 N. Linam Hobbs, New Mexico

Phillips Petroleum Company P. O. Box 2105 Hobbs, New Mexico

Rowan Oil Company P. O. Box 98 Eunice, New Mexico

The Texas Company P. O. Box 458 Hobbs, New Mexico

cc: L. H. Shearer

J. O. T. Couch

J. A. Grimes

C. S. Mills

H. J. Brunt

D. L. Province

T. O. Webb

THE OHIO OIL COMPANY EDITH BUTLER "B" NO. 2

PROPOSED DUAL COMPLETION



