BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN EXCEPTION TO RULE 506 (b) 2, RELATING TO THE PRODUCTION OF BOTH OIL AND GAS FROM THE HIGHTOWER-PENNSYLVANIA POOL, LEA COUNTY, NEW MEXICO.

CASE NO. 364

APPLICATION FOR EXCEPTION.

Comes now Amerada Petroleum Corporation and alleges and states:

- 1. That Amerada Petroleum Corporation has heretofore drilled a gas well in the Hightower-Pennsylvania Pool, Lea County, New Mexico, known as the Birdie C. Roach No. 1 Well, located in the center of the NW/4 of SW/4 of Section 26, Township 12 South, Range 33 East, and has also drilled an oil well in said pool known as the B.T.B.No. 2 Well, located in the center of the SE/4 of NW/4 of Section 26, Township 12 South, Range 33 East.
- 2. That the Gulf Oil Corporation has heretofore drilled in said pool a gas well known as State NMMI No. 1 Well, located in the center of the SE/4 of Section 22, Township 12 South, of Range 33 East.
- 3. It now appears that said oil wells and said gas wells are now completed in the same reservoir.
- 4. That under Rule 506 (b) 2, gas production from the Birdie C.

 Roach No. 1 Well will be limited to the extent that there will not be sufficient gas available for gas lift operations necessary to operate oil wells in the Hightower field and in the nearby Bagley field.
- 5. That in order to prevent waste, applicant should be granted a temporary exception to Rule 506 (b) 2, in order to produce gas from the Birdie C. Roach No. 1 Well in quantities sufficient for gas lift operations until such time as other arrangements can be made.

WHEREFORE, applicant respectfully requests the Commission to set this application for hearing and that due and proper notice be given as required by law and that at the conclusion of said hearing, the Commission enter its order granting applicant an exception to Rule 506 (b) 2, authorizing the production



of gas from the Birdie C. Roach No. 1 Well, referred to above, in sufficient quantities to carry on gas lift operations for the purpose of lifting oil produced from other wells in the Hightower field and the Bagley field until such time as other arrangements can be made.

DATED, this 24th day of March, 1952.

Harry D. Page

Booth Kellough

ATTORNEYS FOR AMERADA PETROLEUM

CORPORATION.