January 7, 1954

OIL CONSERVATION COMMISSION STATE OF NEW MEXICO SANTA FE, NEW MEXICO

GENTLEMEN:

Re: Application for unorthodox Gas Proration Unit, Ohio's J.L. Muncy Lease, Blinebry Gas Fool, Lea County, New Mexico

The Ohio Oil Company makes application under Rule 7(a) of the Rules and Regulations applicable to the Blinebry Gas Pool (Case No. 586, Order No. R-372-A) for a non-standard gas proration unit, and in support of its application, states:

- (1) That The Ohio Oil Company and Phillips Petroleum Company are the joint owners of the oil and gas leasehold estate on the East one-half (F/2) of the Southwest Quarter (SW/4) of Section 24, Township 22 South, Range 37 East, Lea County, New Mexico; that The Ohio Oil Company is the Operator of such lease under an Operating Agreement entered into between The Ohio Oil Company and Phillips Petroleum Company.
- on the above described 80 acre tract of land on January 3, 1949, Well No. 3 in the Blinebry Gas Reservoir; that such well is located 350 feet North of the South line and 440 feet East of the West line of said 80 acre tract.
- (3) That the applicant proposes that the aforesaid described 80 acre tract be established as a non-standard gas promation unit.
- (4) That there is attached to this application a plat showing the location of the proposed unit and the location of the surrounding tracts.
- (5) That according to our records the leases on the adjoining 160 acretracts are owned by Phillips Petroleum Company, Gulf Oil Corporation, and R. Olsen Oil Company.
- (6) That the acreage assigned to the non-standard unit lies wholly within a legal quarter section and contained on November 10, 1953 a well capable of producing gas into a gas transportation facility.
- (7) That The Ohio Oil Company has requested written consent in the form of waivers from all operators in the adjoining 160 acre proration units.
 - (8) That copies of the written consent will be sent to the Commission

Exhibit 1 page 1

when they have been received by The Ohio Oil Company.

We respectfully request that this application be filed and considered in accordance with the Rules and Regulations.

THE OHIO OIL COMPANY

Attorney

P.O. Box 3128 Houston 1, Texas

The undersigned, an operator in the adjoining 160 acre proration unit, acknowledges receipt of a copy of the foregoing application for a non-standard proration unit and hereby grants consent for the creation of such proration unit, this the 3/ day of JANUARY, A.D. 1954.

PHILLIPS PETROLEUM/COMPANY

By of and manger