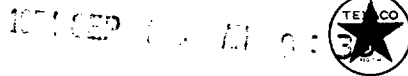


THE TEXAS COMPANY  
MAIN OFFICE  
TEXAS PETROLEUM PRODUCTS



PRODUCING DEPARTMENT  
WEST TEXAS DIVISION

September 21, 1954

P. O. BOX 1720  
FORT WORTH 1, TEXAS

APPLICATION FOR UNORTHODOX LOCATION AND NON-STANDARD UNIT FOR THE TEXAS COMPANY'S STATE "H" LIEU (NCT-2) WELL NO. 26, EUMONT GAS POOL, LEA COUNTY, NEW MEXICO

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

Attention: Mr. W. B. Macey

Gentlemen:

By this letter of application The Texas Company wishes to form a 480 acre non-standard gas proration unit in the Eumont Gas Pool under Rule 5 (b), Order R-520 and to state the following:

(a) That The Texas Company's State "H" Lieu (NCT-2) Well No. 26, located in NE/4 NW/4 of Section 20-T20S-R37E, was completed on March 16, 1954 as a gas well in Queen Gas pay of the Eumont Gas Pool. The attached gas well plat, Exhibit A, shows the location of this well on The Texas Company's State "H" Lieu (NCT-2) Lease and all other wells in Section 20.

(b) That the subject well is completed in the Queen pay which is within the vertical limits of the Eumont Gas Pool as designated by Order R-520 dated August 12, 1954.

(c) That this well was drilled as an orthodox location under Rule 3 of old Order R-370A dated November 10, 1953. That this well was drilled and produced gas prior to August 12, 1954 when Order R-520 was put into effect. That under Rule 2 of Order R-520 the Commission has considered this unorthodox location to be located in conformance with the rule.

(d) That the subject well now has only 160 acres, or the NW/4 of Section 20-T20S-R-37E, assigned to the well for allowable purposes under old Order R-370A dated November 10, 1953.

(e) That the entire 480 acre lease is productive of gas from the gas pay in the Eumont Gas Pool. This gas production is shown by another producing well within Section 20 which is Vem Oil Company's State "A-20" Well No. 1 in NE/4 SE/4 as shown on Exhibit A, and also by four other offset wells in sections 17, 19, 21 and 30. The offset which shows our acreage on the north to be gas productive is Humble's State "F" Well No. 1 in NE/4 SW/4 of Section 17.

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The offset which shows our acreage on the east to be gas productive is Sinclair's Roach No. 1 in NW/4 NW/4 of Section 21. The offset which shows our acreage on the west to be gas productive is our State "C" (NCT-2) Well No. 9 in NW/4 NE/4 of Section 19. The offset which shows our acreage on the southwest to be gas productive is Hudson & Hudson and Phillips' Hudson Well No. 1 in NW/4 NE/4 of Section 30.

(f) That by copy of this letter and a request for waiver Vem Oil Company under subparagraph (a) and Humble Oil & Refining Company under subparagraph (b) of paragraph 5, Rule 5 (b) of Order R-520 were notified and requested to send one executed copy of waiver to you and one copy to The Texas Company.

This application is to form a 480 acre non-standard gas proration unit around The Texas Company's State "H" Lieu (NCT-2) Well No. 26 to consist of the NW/4, NE/4 and SW/4 of Section 20, T20S-R37E, Lea County, New Mexico. The Texas Company therefore requests the Oil Conservation Commission to grant this application under Rule 5 (b) of Order R-520 as soon as waivers are received under paragraph 5 of Rule 5 (b) from Vem Oil Company and Humble Oil & Refining Company.

Respectfully submitted,

THE TEXAS COMPANY, PROD. DEPT.

  
Warren W. Mankin  
Petroleum Engineer

WWM-ECH

Copy to: Vem Oil Company  
Box 3985  
Odessa, Texas  
Attn: Mr. F. L. Wilson

Humble Oil & Refining Co.  
Box 1600  
Midland, Texas  
Attn: Mr. R. S. Dewey

New Mexico Oil Conservation Commission  
Box 2045  
Hobbs, New Mexico