SCHERMERHORN OIL CORPORATION

P. O. BOX 1537 HOBBS, NEW MEXICO

January 11, 1956

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

Re: Jalmat Gas Pool Lea County, New Mexico Request for Enlargement of Non-standard Gas Proration Unit

Attention: Mr. W. B. Macey, Secretary-Director

Gentlemen:

It is respectfully requested that the Conservation Commission schedule a hearing to consider our application for approval for a 320 acre non-standard gas proration unit comprising the SE/4 of Section 24 and the NE/4 of Section 25, Twp. 22S, Rge. 35E, and to be assigned to the Schermerhorn Oil Corporation, Amerada-State #1, Jalmat pool, Lea County, New Mexico.

The Amerada-State #1 is located 660' from the East line and 1,980' from the South line of Section 24 and is completed as a gas well in the Jalmat pool. At the present time this well is assigned an allowable for 160 acres. This well is capable of producing far in excess of one unit allowable, therefore, an exception to Rule 5 (A), Order R-520 is requested, permitting the assignment of a 320 acre non-standard gas proration unit to the well. The proposed unit consists of contiguous quarter sections and the entire area may reasonably be presumed to be productive of gas.

It is requested that an examiner hear this case at the Hobbs office of the New Mexico Oil Conservation Commission.

All operators owning interests in Section 24 and 25 and within 1,500' of Amerada-State #1 as indicated on the attached plat have been furnished copies of this request by registered mail.

Yours very truly,

SCHERMERHORN OIL CORPORATION

By J. W. Moore

cc: New Mexico Oil Conservation Commission
P. 0. Box 2045
Hobbs, New Mexico

Cities Service Oil Company P. O. Box 97 Hobbs, New Mexico

Carper Drilling Company Carper Building Artesia, New Mexico

Amerada Petroleum Corporation Drawer D Monument, New Mexico

Atlantic Refining Company P. O. Box 6640 Roswell, New Mexico

Mr. J. R. Cone Great Plains Life Building Lubbock, Texas

SCHERMERHORN OIL CORPORATION

P. O. BOX 1537 HOBBS, NEW MEXICO

February 8, 1956

Mr. E. S. Walker Commissioner of Public Lands P. O. Box 791 Santa Fe. New Mexico

> Re: Oil Conservation Commission Case 1011

Dear Sir:

In 0il Conservation Commission Case 1011 our company has made application for an order granting an exception to Rule 5 (a) of the special rules and regulations for the Jalmat gas pool as set forth in Order R-520 to establish a 320 acre non-standard gas proration unit consisting of the SE/4 of Section 24 and the NE/4 of Section 25 in Twp. 22S, Rge. 35E, Lea County, New Mexico.

The SE/4 of Section 24, Twp. 22S, Rge. 35E is a portion of State lease NM-1071. The NE/4 of Section 25, Twp. 22S, Rge. 35E is New Mexico State lease E-1357.

The royalty under the proposed 320 acre unit is owned by the State of New Mexico subject to the above described leases. This is to ask approval by your office for the communitization of the two leases for the unit.

If the formation of this gas unit is agreeable, will you please so advise and a communitization agreement will be submitted for a certificate of approval.

Yours very truly, SCHERMERHORN OIL CORPORATION

By	7
	J. H. Moore

cc: New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico
attention--Mr. W. W. Mankin

Amerada Petroleum Company P. 0. Box 591 Midland, Texas attention--Mr. John Cornwall

February 10, 1956

In reply refer to: Unit Division

Case # 1011

The state of the s

Schermerhorn Oil Corporation P. O. Box 1537

Re: Communitizing

SE/4 of Sec. 24-225-35E NE/4 of Sec. 25-225-35E

Attention: Mr. J. H. Moore

Gentlemen:

This is in reply to your letter of February 8, 1956, regarding your communitizing the above acreage, subject to the Oil Conservation Commission granting to you an exception to their Order No. R-520.

We would also like information regarding the well for which you are asking for a non-standard gas proration unit. Is it designated as Amerada State Well No. 1 located in the NE/4 of the SE/4 of Section 24-225-35E?

We will be glad to approve the Communitization of these two state leases; however, in the event your non-standard gas proration unit is not approved and your need for a Communitization of your leases is unnecessary, would you please advise us.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

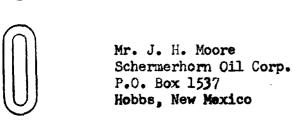
MMR/m
cc: OCC-Santa Fe

B. 1357

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

March 20, 1956



Dear Sir:

We enclose a copy of Order R-762 issued March 14, 1955, by the Oil Conservation Commission in Case 1011, which was heard on February 8th in Hobbs.

Very truly yours,

W. B. Macey Secretary - Director

WBM:brp Encl.



Care # 1011

In reply refer to: Unit Division December 28, 1956

Schermerhorn Oil Corporation P. J. Box 1537 Hobbs, New Mexico

> He: Schermerhorn's Amerada-State Well No. 1 Communitization Agreement -NE/L of Sec. 25-225-35E and SE/L of Sec. 24-225-35E, Lea County, New Mexico

Attention: Ar. J. H. Moore

Centiemen:

We are enclosing one copy of the above designated Communitization, which was approved by the Commissioner of Public Lands December 28, 1956. Please give us the date you first produced this well on a 300-acre allowable.

Also enclosed is Official Receipt in the amount of %5.00, which covers the filing fee.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

BYMAN/m mo: 1

oc: GCC-Santa Fe