CITIES SERVICE OIL

Box 97

Hobbs, New Mexico

Oil Conservation Commission State of New Mexico Box 871 Santa Fe, New Mexico

> Re: Non-Standard Gas Proration Unit, Jalmat Gas Pool,

Lea County, New Mexico

Gentlemen:

It is respectfully requested that the Conservation Commission approve our application for a 200 acre non-standard gas proration unit embracing the S/2 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 SW/4, Sec. 36-24S-36E, Lea County, New Mexico, and to be assigned to the State "W" No. 1.

In support of this application we wish to state the following:

- The State "W" No. 1, located 660' N, 660' W, SE Corner, Sec. 36-245-36E, was formerly a Langlie-Mattix oil well and was recompleted as a Jalmat Pool gas well during May, 1955. It was assigned an 80acre non-standard gas proration unit by NSP 163, dated June 30, 1955.
- 2. Cities Service has entered into a gas operating agreement with Phillips Petroleum Company and John M. Kelly to include the gas rights in the S/2 SE/4, NW/4 SE/4, SW/4 NE/4, SE/4 SW/4, Sec. 36-245-36E, a total of 200 acres. The State "W" No. 1 is to be the unit well and the agreement will be effective when a non-standard gas proration unit of 200 acres is assigned to this well by the New Mexico Oil Conservation Commission.
- 3. The proposed non-standard gas proration unit consists of contiguous quarter/quarter sections within a single governmental section and the entire area may reasonably be presumed to be productive of gas. The length of width of the proposed unit does not exceed 5280'.
- 4. A plat indicating the proposed non-standard gas proration unit and offset ownership is attached.
- 5. All operators in Section 36 and within 1500' of the State "W" No. 1 have been furnished a copy of this application by registered mail.

An exception to Rule 5-A, Order R-520, is requested to permit the assignment of a 200 acre non-standard gas proration unit to the State "W" No. 1.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

JDA/1bc Attachs.

District Engineer

STATE OF NEW MEXICO COUNTY OF LEA

effire me, the undersigned authority, on this day personally appeared known to me to be the duly authorized agent of this ompany who upon his oath says that the foregoing is true and correct to the best of his knowledge.

Subscribed and sworn to before me this 16th day of aunt

Notary Public

Lea County, New Mexico