THE TEXAS COMPANY
TEXACO PETROLEUM PRODUCTS

PRODUCING DEPARTMENT



P. O. BOX 1720 FORT WORTH 1, TEXAS

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August 28, 1956

APPLICATION OF THE TEXAS COMPANY FOR AN EXCEPTION TO RULE 5(a), ORDER R-520, OF THE SPECIAL RULES FOR THE JALMAT GAS POOL, LEA CO., NEW MEXICO

C. C. Fristoe (b) (NCT-4) Well No. 2

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

Gentlemen:

Attached is an application of The Texas Company for a non-standard gas proration unit to apply to its C. C. Fristoe (b) (NCT-4) Well No. 2, SW/4 SW/4 of Section 31, T-24-S, R-37-E, N.M.P.M., Lea County, New Mexico. This application is in exception to Rule 5(a), Order R-520 of the special rules of the Jalmat Gas Pool in that the proposed non-standard proration unit will consist of acreage in two adjoining sections.

Please set this application for early hearing before an examiner at Hobbs, New Mexico.

Yours very truly,

H. N. Wade

Petroleum Engineer

HNW-MFT

cc-NMOCC Hobbs, N.M.

## NEW MEXICO OIL CONSERVATION COMMISSION

Before an Examiner at Hobbs, New Mexico

In the Matter of the Application of The Texas Company for an Exception to Rule 5(a) of Order R 520 of the Special Rules for the Jalmat Gas Pool, Lea County, New Mexico, for The Texas Company #2 NCT-4 C.C. Fristoe B Gas Well which is located in the SW/4 SW/4 of Section 31, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico

Case No.

To the Examiner of the New Mexico Oil Conservation Commission:

Now comes The Texas Company and requests the Commission to set a hearing before an Examiner at the Hobbs, New Mexico office of the New Mexico Oil Conservation Commission and grant an exception to Rule 5(a) of that part of the New Mexico Oil Conservation Commission Order Number R-520 pertaining to the Jalmat Gas Pool, Lea County, New Mexico, for its #2 NCT-4 C. C. Fristoe B Gas Well, and for its grounds therefore states:

- 1. That applicant completed its #2 NCT-4 C.C. Fristoe B Well on November 21, 1948. That said well is located 660 feet from the South Line and 660 feet from the West Line of Section 31, Township 24 South, Range 37 East, N.M.P.M. This well was drilled to a total depth of 3503 feet, but was plugged back to 3388 feet and is now a gas well producing from the Jalmat Gas Pool. On May 20, 1953, this well tested 11,700 MCF per day absolute open flow.
- 2. That for gas allocation purposes, this well is currently assigned a 76.25 acre gas proration unit consisting of Lots 3 and 4, Section 31, Township 24 South, Range 37 East, N.M.P.M.
- 3. That The Texas Company and El Paso Natural Gas Company have agreed to and are now in the process of communitizing the following acreage in order to form a 114.41 acre unit, to-wit:

Township 24 South, Range 37 East, N.M.P.M. Section 31: Lots 3 & 4 (W/2 SW/4)

Township 25 South, Range 37 East, N.M.P.M. Section 6: Lot 4 (NW/4 NW/4)

- 4. That all of the acreage in Section 6, Township 25 South, Range 37 East, N.M.P.M. except Lot 4 has been dedicated to a producing gas well.
- 5. That by Order Number R-704 of the New Mexico Oil Conservation Commission, the Commission stated:
  - "(6) That the Orderly development of the Jalmat Gas Pool and protection of correlative rights would best be accomplished by the communitization of Federal gas acreage consisting of the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, N.M.P.M., with presently dedicated Federal gas acreage consisting of the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico."
- 6. That the proposed Non-Standard Gas Proration Unit consists of contiguous quarter-quarter sections.
- 7. That the entire proposed Non-Standard Gas Proration Unit may reasonably be presumed to be productive of gas.
- 8. That the length and width of the proposed Non-Standard Gas Proration Unit does not exceed 5280 feet.

- 9. That there is attached hereto a plat showing the acreage to be dedicated to the proposed Non-Standard gas proration unit, the location of the proposed well, and the offset ownership.
- 10. The granting of the exception requested herein will not adversely affect the correlative rights of any offset owner and will protect the correlative rights of applicant, will prevent waste, will avoid the drilling of unnecessary wells, and is in the interest of conservation.

WHEREFORE, applicant requests that this matter be set down for hearing before an Examiner at the Hobbs, New Mexico Office of the New Mexico Oil Conservation Commission, that proper notice as required by law be published, and that the Commission issue its order granting applicant an exception to Rule 5(a) of Order No. R-520 in order to form a Non-Standard Gas Proration Unit in the Jalmat Gas Pool consisting of Lots 3 and 4 of Section 31, Township 24 South, Range 37 East, N.M.P.M., and Lot 4 of Section 6, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

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THE TEXAS COMPANY

Notary Public

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| THE STATE OF <u>Leas</u>          |   |  |  |  |
| On this 24th day of a             | , 1956, before me personally appeared , to me known to be the person who executed the fore- |  |  |  |
| going application and states that | t the foregoing elements are true to the best of his  |  |  |  |
| knowledge.                        | and Matthews  |  |  |  |

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