OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

July 17, 1958

Mr. Jason Kellahin P. O. Box 1713 Santa Fe, New Mexico

Dear Mr. Kellahin:

Enclosed herewith are two copies of Order No. R-1219 and Order No. R-1220, issued by the Cil Conservation Commission on July 16, 1958.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/ir

Enclosures

Case 147/

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BEFORE THE

OIL CONSERVATION COMMISSION OF

NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR AN EXCEPTION TO RULE 5-A OF THE SPECIAL POOL RULES FOR THE TUBB GAS POOL FOR APPROVAL OF A NON-STANDARD PRORATION UNIT OF 240 ACRES, CONSISTING OF THE NW/4 AND THE W/2 OF THE SW/4 SECTION 24, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.

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APPLICATION

Comes now PHILLIPS PETROLEUM COMPANY and applies to the Oil Conservation Commission of New Mexico for an order approving a non-standard gas proration unit consisting of the NW/4 and the W/2 of the SW/4, Section 24, Township 22 South, Range 37 East, N.M.P.M. as an exception to the pool rules for the Tubb Gas Pool, Lea County New Mexico, said unit to be dedicated to the applicant's Sims Well No. 3, and in support thereof would show:

- 1. That the Sims Well No. 3 is located 1,980 feet from the north and west lines of said Section 24, and was originally completed July 29, 1948 for production from the Drinkard formation.
- 2. That it is proposed to plug back the Sims Well No. 3 to 6,200 feet perforate in the Tubb formation from 6,020 feet to 6,150 feet and complete as a gas distillate producer from the Tubb formation.
- 3. That the proposed non-standard unit consists of contiguous quarter-quarter sections and lies wholly within a single govern-mental section.

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- 4. The length and width of the proposed non-standard gas proration unit does not exceed 5,280 feet.
- 5. That no part of the proposed non-standard unit is dedicated to a gas well in the Tubb Gas Pool; that all of the acreage may reasonably be presumed to be productive of gas from the Tubb Gas Pool; and that said acreage should be allocated to a gas well in the interest of prevention of waste and the protection of correlative rights.
- 6. That the most practical and economical method of allocating said acreage for Tubb Gas Pool production is to establish a 240-acre non-standard gas proration unit as described above, for allocation to the Sims Well No. 3.
- 7. That voluntary pooling of the acreage involved in this application for the formation of a standard proration unit under the provisions of the special rules and regulations for the Tubb Gas Pool as set forth in Commission Order No. R-586 is not practical, and unless this application is approved, applicant will be denied its right to produce its just and equitable share of the oil and gas and liquid hydrocarbons under lying said lands.
- 8. That the Commission has heretofore approved non-standard proration units of the size for which approval is sought herein, or in excess thereof, for the prevention of waste and the protection of correlative rights.

WHEREFORE, applicant prays that this application be set for hearing before the Commission's duly appointed examiner at as early a date as may be practical, and that after notice and hearing as required by law, the Commission enter its order approving a non standard proration unit consisting of the NW/4 and the W/2 of the SW/4 of Section 24, Township 22 South, Range 37 East, N.M.P.M., for the production of gas from the Tubb Gas Pool as an exception to

the special rules and regulations for the Tubb Gas Pool as contained in order No. R-586 and any amendments thereto, and for such other and further order or orders of the Commission as may be necessary and proper in the premises.

Respectfully submitted,
PHILLIPS PETROLEUM COMPANY

CARL W. JONES P. O. Box 791 Midland, Texas

KELLAHIN AND FOX P. O. Box 1713 Santa Fe, New Mexico

By: Jason W. Kellahin

Attorneys for Applicant Phillips Petroleum Company