

Western Natural Gas Company

823 MIDLAND TOWER BLDG.

Midland, Texas

June 21, 1961

Tex 2342
for hearing

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

Gentlemen:

Re: Application for 320 acre non-standard gas proration unit and unorthodox location for the Matkins #1 well, Yates Jalmat Gas Unit to comprise the SW/4 of Section 14 and SE/4 of Section 15, T-23-S, R-36-E, Lea County, New Mexico

- R-1670

Western Natural Gas Company herewith makes application for an exception to ~~Rule 5-A and 5-B, Order R-520~~, to authorize for its Matkins #1 well, Jalmat Gas Pool, an unorthodox location, and a 320 acre non-standard gas proration unit comprising the SW/4 of Section 14 and SE/4 of Section 15, T-23-S, R-36-E, Lea County, New Mexico.

The following facts are offered in support of this application:

1. Western Natural Gas Company is the lessee and operator of a gas lease consisting of the SW/4 of Section 14 and SE/4 of Section 15, T-23-S, R-36-E, Lea County, New Mexico, with the SE/4 of Section 15 comprising the present 160 acre gas proration unit.
2. Western Natural Gas proposes that the 160 acres of SW/4 of Section 14 be added to the Matkins #1 present gas proration unit as indicated on the accompanying plat.

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3. The Matkins #1 well was originally completed in August, 1938, as a gas well producing incidental oil. No electric logs were run at the time of completion. In 1953 this well was assigned a 160 acre proration unit, being the SE/4 Sec. 15, T-23-S, R-36-E. A recent examination of Western Natural Gas Company's files indicated said well exceeded the vertical limits of the Jalmat Pool. On January 24, 1961, Western Natural Gas Company re-entered said well, ran electric logs, and in order to comply with Rule 25 (A) Order R-1670, set bridge plug at 3396 feet in 5½" casing. The well was then recompleted by performing a 30,000 gallon refined oil - 23,000 lb. sand fracturing job. The perforations in the 5½" casing are 3030-3150 feet; 3220-30; 3275-3300 feet.
4. The Matkins #1 is located 660 feet from the South and East lines of Section 15 and:
- (a) Contiguous quarter-quarter sections will comprise the unit.
 - (b) The proposed 320 acre unit does not lie wholly within a single governmental section.
 - (c) The entire non-standard gas proration unit may reasonably be assumed to be productive of gas.
 - (d) The length or width of the proposed unit does not exceed 5280 feet.
 - (e) The proposed addition to the present 160 acre unit is entirely surrounded by acreage which is presently dedicated to Jalmat Gas production.
 - (f) By copy of this letter of application, all operators owning interests in this section, and all operators within 1500 feet of the proposed unit well (Matkins #1) are notified by certified mail of this intent and proposal.

5. The approval of this application will in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.

Applicant respectfully requests that this matter be set for hearing at the earliest possible date.

Very truly yours,

WESTERN NATURAL GAS COMPANY



R. H. McKoy
Division Superintendent

RHM:jh

cc: P. C. Wright
N.M.O.C.C. Office - Hobbs

Certified copies to:

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