C & CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO HOBBS OFFICE OCC

1955 JAN 13 AM 10:41

January 10, 1954

Mr. John M. Kelly P. O. Box 5671 Roswell, New Mexico

Dear Mr. Kelly:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the S/2 of Section 12, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. This acreage was to have been assigned to your Phillips-State No. 1 Well, said well being located 660' from the East and South lines of Section 12.

Order R-520, Rule 5 (a) paragraph 3, clearly limits, as to the well location, the number of acres that can be assigned a non-standard gas proration unit. This office is unable to grant approval of a non-standard gas proration unit for the above mentioned well of over 160 acres because of the said well's location to its boundaries. Further it is the opinion of this office that the SW/4 of Section 12 would probably be more productive of oil than gas.

If you have any information which we have not considered or if you should desire a hearing on this matter, please notify the Commission at your earliest convenience.

Very truly yours.

W. B. Macey Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs

N. M. Oil & Gas Engineering Committee, Hobbs

CAL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO HOBBS CFFICE GCC

1955 JAN 13 AN 10: 41

January 10, 1954

Mr. John M. Kelly ... D. E.L. H. M Reswall, New Maxico

Dear Mr. Kelly:

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Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the S/2 of Section 12, Township 19 South, Range 36 East, NMPM, Les County, New Mexico. This acreage was to have been assigned to your Phillips-State No. 1 ¹⁰ cl., said well being located 660' from the East and South lines of Section 12.

Order K-526, Rule 5 (a) paragraph 3, clearly limits, as to the well location, the number of acres that can be assigned a non-standard gas proration unit. This office is unable to grant approval of a non-standard (a) protation unit for the above mentioned well of over 166 acres because of the said well's location to its boundaries. Further it is the opinion of this office that the SW/4 of Section 12 would probably be more productive of oil than gas.

If you have any information which we have not considered or if you should desire a hearing on this matter, please notify the Commission of your earliest convenience.

Very truly yours,

W. M. Macey Secretary - Director

WEN: SE

co: Oil Conservation Commission, Hobbs

N. M. Oil & Gas Engineering Committee, Hobbs

BOX 2045

HOBBS, NEW MEXICO

DATE	January	7.	1955	

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MR. W. B. MACEY OIL CONSERVATION COMMISSION BOX 871 SANTA FE, NEW MEXICO	RE: PROPOSED N	ISP7	<u>.</u>
Dear Mr. Macey:	PROPOSED N	ISL	
I have examined the application dated _	12-15-54	(In file)
for the <u>John M. Kelly Phillips State</u> Operator Lease and my recommendations are as follows:	and Well No.	-19-36 S-	T-R
Recembend no more than 160 acres due t	o footage. It	is pofs	ible that not all
this will be productive in the Penrose	sand, but re	commend	that NSP be
granted until development proves other	wise. Three	feet of	Grayburg exposed
in the well bore- R F M			
160 acres only - SJS			

Yours very truly,

OIL CONSERVATION COMMISSION

Stanley J. Stanley Engineer