

NOV 17 1954
AM 10:00
November 17, 1954

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

Re: Application of Cities Service Oil Company
for Approval of a Non-Standard Gas Prora-
tion Unit Embracing the SE/4, Sec. 5-T20S-
R37E, Eumont Gas Pool, Lea County, N. M.

Gentlemen:

Comes now Cities Service Oil Company and respectfully requests the Oil Conservation Commission to approve a non-standard gas proration unit of 160 acres, namely the SE/4, Section 5-T20S-R37E, in the Eumont Gas Pool, Lea County, New Mexico, and in support of the application wishes to state the following:

1. The Cities Service Oil Company and the Sun Oil Company have entered into a gas operating agreement effective November 1, 1954, covering the SE/4 of Section 5-20S-37E. By means of this agreement, the Sun Oil Company now has a 25% interest in the Cities Service Oil Company Laughlin No. 5.

2. The Cities Service Laughlin No. 5 is located 2310' from the East Line and 330' from the South Line of the section and is completed as a gas well within the vertical limits of the Eumont Gas Pool.

3. It is requested that the non-standard gas proration unit assigned to Laughlin No. 5 be increased from its present 120 acres to 160 acres in order to include the Sun Oil Company Laughlin Lease.

4. The Cities Service Laughlin No. 5 meets the spacing requirements given in Order No. R-520 for an acreage assignment of 160 when the tolerances of 330' from each boundary are applied. That tolerance is for wells completed prior to the effective date of the order.

5. A plat is attached showing the above described lands and all offset properties.

6. All operators in Section 5 and within 1500' of Laughlin No. 5 have

