September 2., 1[illegible]

APPLICATION [illegible] NON-STANDARD UNIT FOR
THE TEXAS COMPANY'S [illegible] E. PHILLIPS WELL
NO. 1, DUMONT GAS POOL, LEA COUNTY, NEW MEXICO

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

Attention: P. W. [illegible] Macey

Gentlemen:

By this letter of application The Texas Company wishes to form a 280-acre non-standard gas proration unit in the Dumont Gas Pool, under Rule 3 (b) and to state the following:

(a) That the Texas Company's [illegible] Phillips Well No. 1, located in the NW/4 [illegible]/4 of Section 10, Township 20-S, Range 37-E, was completed on April 1[illegible], 1953 as a gas well in the Queen Ray of the Dumont Gas Pool. The attached gas well plat, Exhibit [illegible], shows the location of this well on the Texas Company's [illegible] Phillips lease and all other wells in Section 10.

(b) That the subject well is completed in the Queen pay which is within the vertical limits of the Dumont Gas Pool as designated by Order R-520, [illegible] August 12, 19[illegible].

(c) That the well was drilled as an orthodox location under Rule 3 of the old Order R-370-A dated November 10, 1953. That this well was drilled and had produced gas prior to August 12, 19[illegible], when Order R-520 was put into effect. That under Rule 2, Order R-520, the Commission has considered this location to be located in conformance with the rule.

(d) That the subject well now has only 120 acres, or the W/4 [illegible]/4 and S/2 [illegible]/4 of Section 10, Township 20-S, Range 37-E, assigned to the well for allowable purposes under old Order R-[illegible].

(e) That the entire 280-acre lease is productive of gas from the gas pay in the Dumont Gas Pool. This gas production is shown by another gas producing well within Section 10 which is Continental Oil Company's Grill "B-10" Well No. 1 in the SW/4 SE/4, as shown on Exhibit [illegible], and also by three other offset wells in Sections 11, 3, and 2. The offset which shows our acreage on the east to be gas producing is Schermerhorn Oil Corporation's Christmas Well No. 1 in [illegible]/4 [illegible]/4 of Section 11. The offset which shows our

acreage to the north to be gas productive is Tennessee Production Company's E. Weir Well No. [illegible] SW/4 [illegible] of Section [illegible]. The offset which shows our acreage on the west to be gas productive is Ohio Oil Company's Laughlin Well No. 4 in SW/4 NE/4 of Section 9.

(f) That by copy of this letter and the request for waivers [illegible] Oil Company, under sub-paragraph (a) and Amerada Petroleum Corporation, Tennessee Production Company, Ohio Oil Company, and Solen [illegible], under sub-paragraph (b) of paragraph 5, Rule 5 (b) of Order R-520, were notified and requested to send one executed copy of waivers [illegible] copy to The Texas Company.

This application is to form a 280-acre non-standard proration unit around The Texas Company's E. L. B. Phillips Well No. 1 to consist of [illegible] NW/4, S/2 SW/4, and NE/4 of Section 10, Township 20-S, Range 37-E, Lea County, New Mexico. The Texas Company therefore requests the Oil Conservation Commission to grant this application under Rule 5 (b) of Order R-520 as soon as waivers are received under paragraph 5 of [illegible] from Continental, Amerada, Tennessee Production, Ohio Oil, and Solen and Byron.

Respectfully submitted,

THE TEXAS COMPANY
Producing Department

Warren W. Rankin
Petroleum Engineer

W[illegible]

cc-N.M.O.C.C.
[illegible]
Hobbs, N. M.

Continental Oil Co.
[illegible]
Fort Worth, Texas

Tennessee Prod. Co.
[illegible] Seventh Street
Wichita Falls, Texas

Amerada Pet. Corp.
Box 2040
Tulsa, Oklahoma

Ohio Oil Co.
P. O. Box 552
Midland, Texas

Solen & Byron
Box 326
Hobbs, New Mexico