

OCC - Hrb 62

The Ohio Oil Co.

NSP-194

Due 10/1/55

P. O. BOX 552

MIDLAND, TEXAS

September 19, 1955

Subject: Non-standard Gas Proration
Unit - NE/4 of Sec. 16,
T-20-S, R-37-E, Eumont Gas
Pool

Mr. W. B. Macey
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

The Ohio Oil Company respectfully requests that you grant this application of The Ohio for the designation and formation of a 160-acre non-standard gas proration unit consisting of the NE/4 of Section 16, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico. The Ohio owns the oil and gas leasehold estate on the acreage included in the proposed unit, and a gas well completed in the Eumont Gas Pool and known as State Hansen No. 4, located on the acreage at a point 660 feet from the South line and 990 feet from the East line of the proposed unit.

The State Hansen Well No. 4 was recompleted July 20, 1954, within the vertical limits of the Eumont Gas Pool as an oil well. However, the well is now a gas well under the rules applicable to the Eumont Gas Pool because of high gas-oil ratio (See attached Gas-Oil Ratio Report).

All acreage included in the proposed unit falls within the limits of the Eumont Gas Pool and is reasonably presumed to be productive of gas from that Pool. It is impractical to pool the Ohio's leasehold estate with adjoining acreage. Unless the proposed proration unit is formed, the Ohio will be deprived of a fair opportunity to recover its just and equitable share of the natural gas in the Eumont Pool. The formation of the proposed proration unit will protect correlative rights and will not cause but will prevent waste.

A plat is attached hereto which indicates the location of the proposed unit and the location of the surrounding tracts. A copy of this application with plat attached has been sent by registered mail to each of the Operators named on the attached list.

The Ohio therefore requests that you reclassify the State Hansen Well No. 4 as a gas well. The Ohio further requests that you grant an exception to the special rules and regulations for the Eumont Gas Pool, that this application be granted, and that the proposed non-standard gas proration unit be designated and formed by you without further notice or hearing and pursuant to the provisions of the applicable rules and regulations, upon the expiration of thirty (30) days from this date.