

PHILLIPS PETROLEUM COMPANY

Hobbs, New Mexico

May 15, 1957

53 P. O. Box 2105

NSP-366
Dur 11/17

In re: Application for 160-acre Non-standard Gas Proration Unit -
Phillips Petroleum Company's Quapaw Well No. 1.

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


Gentlemen:

Phillips Petroleum Company hereby makes application for administrative approval for a 160-acre non-standard gas proration unit in the SE/4 Sec. 19, T-20-S, R-37-E, Lea County, New Mexico, Eumont Gas Pool. In support of this request we state the following facts:

1. Phillips Petroleum Company is the owner and operator of an oil and gas lease known as its Quapaw Lease located in the E/2 SE/4 Section 19, T-20-S, R-37-E, Lea County, New Mexico. Gulf Oil Corporation is the owner and operator of an oil and gas lease known as its Butler Lease in the W/2 SE/4, Section 19, T-20-S, R-37-E, Lea County, New Mexico. The Phillips and Gulf leases comprise the 160-acres above described.
2. Phillips Petroleum Company is the owner and operator of Quapaw Well No. 1 located 660' from south and east lines, Section 19, T-20-S, R-37-E, Lea County. This well is presently producing from the Eumont oil pool and upon completion of dual work in the well, gas will be produced from the Eumont gas pool and dedicated to this proposed 160-acre gas proration unit.
3. A plat is attached, showing (a) acreage to be dedicated, (b) well location, and (c) offset ownership.
4. Phillips Petroleum Company and Gulf Oil Corporation have completed a communitization agreement, approved by the Commissioner of Public Lands, which provides for the dedication of this 160-acre gas proration unit. The approval of this application then will, in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.
5. By copy of this letter of application all offset operators are notified by registered mail of the intent of Phillips Petroleum Company and Gulf Oil Corporation to form the proposed non-standard gas proration unit.

Very truly yours,

PHILLIPS PETROLEUM COMPANY


W. C. Rodgers
District Superintendent
Production Department