P. O. Box 54 Hobbs, New Mexico July 1, 1957

New Mexico Oil Commission Box 871 Santa Fe. NM Mexico

Re: Application for administrative approval for Tidewater to dual complete its Percy Hardy #2 as a gas-oil well in the Tubbs gas pool, Lea County, New Mexico.

Gentlemen:

By this letter of application Tidewater Wishes to relate the following information in accordance with Rule 5 (a) Order R=520 of the Special Pool Pules and Rule 112A Commissions Rules and Regulations:

- 1. The application is submitted in triplicate.
- 2. The legal description of the land involved is Fidewater's Percy Hardy S/2 SE/4 (80 ac) and N. G. Penrose's Percy Hardy SE/4. SE/4 (40 ac.) All in section 17-T. 21S. Reg7E HMPM. Les County. New Mexico.
- 3. The well to be Tidewater Percy Hardy #2, SW/4, SE/4 (660' N of S line and 1980' W of E line) Section 17, T-215, R=37E.
- 4. A plat is attached showing:
 (a) Acresse to be dedicated
 (b) Well location
 (c) Offset ownership
- 5. A diagrammatic sketch of the proposed dual completion is attached showing all pertinent data.
- 6. Tidewater's Hardy #2 is presently flowing from the Drinkard zone. Permission is requested to complete well in the Tubbs gas zone and by suitable packer equipment flow the Tubbs through the annulus, and the Drinkard through the tubing. This will protect correlative rights and prevent waste.
- 7. The proposed non-standard gas proration unit will meet the requirements of Order R-520 as follows:
 - (a) The unit will be comprised of contiguous quarter-quarter sections.



New Mexico Oil Conservation Commission

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- (b) The unit lies wholly within a single governmental section.
- (c) All acreage within the unit may reasonably be presumed productive of gas.
- (d) The length or width of the unit does not exceed 5280 feet.
- (e) By copy of this letter of application all operators owning interests in the section in which the proposed unit is located and all operators within 1500 feet of the proposed unit well are notified by registered mail of the intent of Eidewater O11 Company as herein stated. (See attached plat)

Therefore, Tidewater Oil Company requests that through provision of Rule 5 (b) of Order 520, and Bule 112-A of the Rules and Regulations, the secretary of the Oil Conservation Commission approve the subject nonstandard gas proration unit as proposed in the application.

Respectfully submitted

TIDEWATER OIL COMPANY

H. P. Shackelford Area Sups.

RNH: G

State of New Mexico County of Lea

Before me, the undersigned authority, on this day personally appeared H. P. Shackelford, known to me to be the person whose name is subscribed to this instrument, who after being by moduly sworn on oath states that he has knowledge of all the facts stated above and that the same is true and correct statement of the facts as therein recited.

Subscribed and sworn to before me on this the lat day of July, 1957.

0. Lucardus

Notary Public, Lea County. New Mexico

MY COMMISSION EXPIRES AUGUST 9, 1959



NG Penreso,Inc. 1813 Fair Sidg. Pt.North,Texas

Continental Dil Company Box 127 Hobbe, New Maxico

Sun Cil Company Box 1205 Hobbs, New Mexico

The Texas Company For M¹ Hobbs, New Merico

Sun ay Mid-Continent Vil Congary Ol Midland Nat'l Peak Eldg. Midland, Texas

Sinclair Cil Company 520 Bart Broadwyy Hobbs, New Hoxiya

Rodman 011 Gurporation Box 591 Odessa, Texus

H.L. huht Box 197 Lidl. s.d., Texas





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Dedicated acreage

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TIDEWATER OIL COMPANY

Percy Hardy well No. 2 Sec.17, T215, R37E

DIAGRAMMATIC SKETCH OF PROPOSED DUAL COMPLETION



