

SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

August 17, 1962

Subject: Application of Shell Oil Company
for Approval of a 120-acre Non-
Standard Gas Proration Unit,
Tubb Gas Pool, Lea County,
New Mexico

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

Attention Mr. A. L. Porter, Jr.

Gentlemen:

Shell Oil Company requests Exception to Rule 5(A) of Order R-1670 for Administrative Approval of a 120-acre Non-Standard Tubb Gas Proration Unit covering E-1/2 NW-1/4, SW-1/4 NW-1/4 of Section 4, T-22-S, R-37-E, N.M.P.M., Lea County, New Mexico. This proposed Non-Standard Unit is to be attributed to Shell's Rinewalt No. 2 well located in the NE-1/4 NW-1/4 of Section 4.

In support of this application the following facts are submitted:

1. Shell's Rinewalt Lease, described as E-1/2 NW-1/4 of Section 4, containing 80 acres more or less, is now attributed to a Non-Standard Gas Proration Unit with Well No. 2 as the unit well. The approval of this unit was by Order NSP-538 dated November 22, 1960.
2. Gulf Oil Corporation is the owner and holder of various leases known collectively as their W. M. Rinewalt lease covering SW-1/4 NW-1/4 of Section 4.
3. Shell and Gulf now desire to expand the existing Non-Standard Gas Unit to include the Gulf W. M. Rinewalt lease and to form a 120-acre Non-Standard Unit with Shell's Rinewalt No. 2 well as the unit well. This well is capable of producing the full allowable for the proposed unit.
4. The royalty owners under both the Shell and Gulf leases included in this proposed Non-Standard Unit have consented in writing to the forming of this unit.

5. Attached is a lease plat showing the unit well circled in red, the existing Non-Standard Unit outlined in green, and the proposed Non-Standard Unit outlined in red.
6. The proposed Non-Standard Unit consists of contiguous quarter-quarter sections.
7. The entire proposed Non-Standard Unit lies wholly within a single governmental section.
8. The entire Non-Standard Unit is reasonably presumed to be gas productive in the Tubb Gas Pool.
9. The length or width does not exceed 5,280 feet.
10. All operators owning interests within 1500 feet of the unit well and in the section in which this proposed Non-Standard Unit is located have been furnished a copy of this application by registered mail.

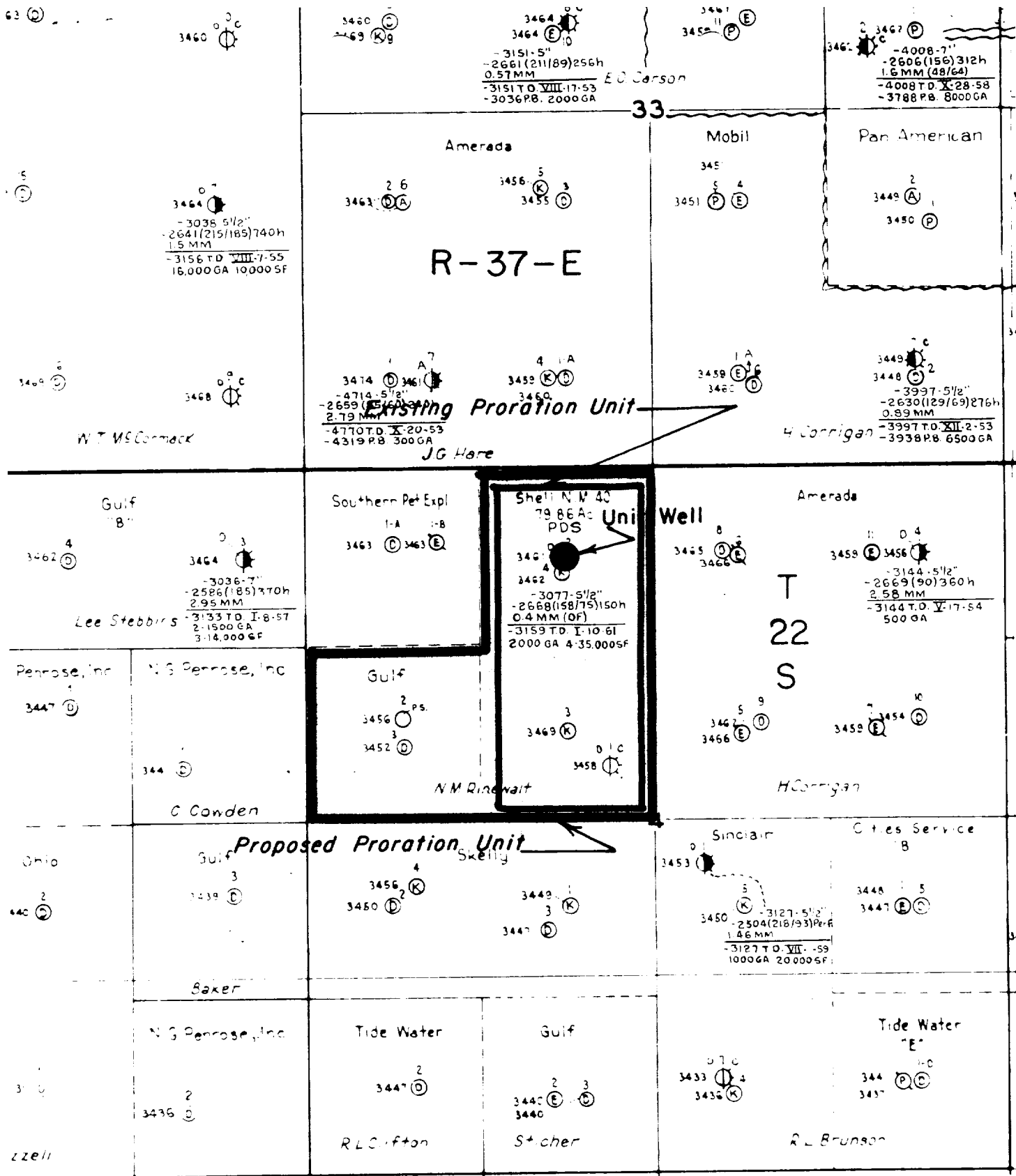
Yours very truly,



R. L. Rankin
Division Production Manager

Enclosures

cc: New Mexico Oil Conservation Commission (2), P. O. Box 2045, Hobbs, N. Mex.
Amerada Petroleum Corporation, P. O. Box 312, Midland, Texas
Gulf Oil Corporation, P. O. Box 1150, Midland, Texas
Mobil Petroleum Company, P. O. Box 2406, Hobbs, New Mexico
Sinclair Oil & Gas Company, P. O. Box 1470, Midland, Texas
Neville G. Penrose, Inc., 146 Allen Building, Midland, Texas
Skelly Oil Company, Box 38, Hobbs, New Mexico
Southern Petroleum Exploration, Inc., P. O. Box 1017, Roswell, New Mexico



TUBB GAS POOL
Lease Ownership Plat
Lea County, New Mexico