

*Hobbs*

MAIN OFFICE OCC  
August 18, 1958  
1958 AUG 22 AM 8:25

*751P. 444  
Due Sep 21, 1958*

1958 AUG 22 AM 7:43

HOBBS OFFICE OCC

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

Re: Application for 160-Acre Non-Standard Gas Proration Unit, Eumont Gas Pool, comprising the S/2 of the SW/4 and the S/2 of the SE/4 of Section 7, T-22-S, R-37-E, Lea County, New Mexico.

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Gentlemen:

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Neville G. Penrose, Inc. hereby makes application for approval of a 160-acre non-standard gas proration unit comprising the S/2 of the SW/4 and the S/2 of the SE/4 of Section 7, T-22-S, R-37-E, Lea County, New Mexico and in support thereof states the following facts:

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1. Neville G. Penrose, Inc. is owner and operator of an oil and gas lease known as the Mattern Lease, Lea County, New Mexico.
  2. Neville G. Penrose, Inc. proposes that the above described acreage be established as a non-standard 160-acre gas proration unit in exception to Rule 5 of Order-520.
  3. The Mattern #7 well, located 1650' from the west line and 330' from the south line of section 7 was completed as an Arrowhead Pool oil well on February 18, 1940 and recompleted as a gas well in the Eumont Pool on August 14, 1958. This application is for a non-standard proration unit in the Eumont gas zone.
  4. The proposed non-standard gas proration unit will meet the requirements of Rule 5(b) of the Oil Conservation Commission order No. R-520 as follows:
    - a. Contiguous quarter-quarter acres will comprise the unit.
    - b. The proposed unit lies wholly within a single governmental section.
    - c. All acreage within the proposed unit may reasonably be presumed productive of gas.

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