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

Re; Application for 120 acre non-standard Gas Proration Unit, Blinebry Gas Pool, Comprising the S/2 of the SE/4 and the NW/4 of the SE/4 of Section 12, T-22-S, R-37-E, Lea County, New Mexico.

Gentlemen:

Neville G. Penrose, Inc. hereby makes application for approval of a non-standard gas proration unit comprising the S/2 of the SE/4 and the NW/4 of the SE/4 of section 12, T-22-5, R-37-E, Lea County, New Mexico and in support thereof states the following facts:

- 1. Neville G. Penrose, Inc. is owner and operator of an oil and gas lease known as the Hinton Lease, Lea County, New Mexico.
- 2. Neville G. Penrose, Inc. proposes that the above described agreage be established as a non-standard 120 acre gas proration unit in exception to Rule 5 of Order R-610.
- 3. The Hinton #5 well, located 990' from the south line and 990' from the east line of section 12, was completed as a Tubbs gas well on December 30, 1953 and dually completed in the Blinebry gas zone on December 26, 1957. This application is for a non-standard proration unit on the Blinebry gas zone.
- 4. The proposed non-standard gas proration unit will meet the requirements of Rule 5 of the Oil Conservation Commission Order No. R-610 as follows:
 - a. Contiguous quarter-quarter sections 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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