

Mr. Porter: Please
refer to file in
DC-165.
- N.R.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 24, 1954

Rowan Oil Company
Fair Building
Fort Worth, Texas

Attention: Mr. Leroy Gideon

Gentlemen:

We refer to your application for permission to dedicate an 80-acre non-standard gas proration unit in the Blinebry Gas Pool to your Elliott Well No. 4-B-15, NE/4 NE/4 Section 15, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

You originally applied for dual completion of this well on April 20, 1954, and at that time you sought approval of a 160-acre proration unit to be assigned to the well upon completion. On May 3 you wrote to this office requesting withdrawal of the application, but later applied on October 22 for reinstatement, although you amended the non-standard unit to include only 80 acres, being the northeast quarter of Section 15.

By Administrative Order DC-165, dated November 5, 1954, we approved dual completion of your No. 4-B-15 Elliott Well for production of gas from the Blinebry Gas Pool and oil from the Drinkard Oil Pool.

Upon further study, however, we find that we cannot at this time give administrative approval to the proposed unit, as the present Blinebry Pool rules do not contain a provision that fits your case exactly. New pool rules are now being worked out, as a result of study in Cases 727 and 728, both of which are now under advisement. I feel quite sure that within a short time the rules will be simplified to the extent that this Blinebry unit can be approved without the necessity for notice and hearing, or for further work on your part.

In the meantime, you will suffer no loss as far as allowable is concerned if you let your request ride for a few weeks. We will keep it in our abeyance file and apply the new Blinebry rules to the request as soon as they are issued.

Very truly yours,

WBM:nr

W. B. Macey, Secretary - Director

cc: OCC. HOBBS

