

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

> OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

4/4/97

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

GOVERNOR

| RE: Proposed: MC DHC NSL NSP SWD | | | |
|---|--|-------|----------|
| WFX PMX Gentlemen: | | | |
| I have examined the | e application for the: Um Co Sins Lease & Well N | #3-F | 24-22-37 |
| Phillipipala | un Co Sims | #10.8 | 24-22-37 |
| Operator | Lease a well h | | |
| | ions are as follows: | | |
| and my recommendat | | | |

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PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762 4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP Permian Basin Region

March 25, 1997

Non-Standard Proration Unit Sims, Well No. 10 Tubb Oil and Gas Pool Lea County, New Mexico

State of New Mexico Energy, Minerals, & Natural Resources Dept. Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87504

Attention: Michael Stogner, P. E.

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval for a non-standard proration unit for the Phillips operated Sims, Well No. 10. This well is completed in the Tubb Oil and Gas Pool, Lea county, New Mexico. This request is due to the Phillips operated Sims, Well No. 3 being re-classified from a gas well to an oil well per a recent test. Both well No. 10 and Well No. 3 shared a common proration unit which was described as the NW/4, 160 acres, of Section 24, T-22-S, R-37-E, Lea County.

With the re-classification of the Sims, Well No. 3 to an oil well and having to dedicate 40 acres to said well, it became necessary to dedicate 120 acres to Sims, Well No. 10. The appropriate plats, Form C-102, are attached.

Copies of this request have been provided to the Hobbs District Office and all offset operators to nonstandard proration unit (list attached). if you need any additional information, please contact me at the letterhead address or telephone (915) 368-1488.

Sincerely,

L. M. Samler

L. M. Sanders, Senior Regulations Analyst

LMS:jha

cc: Hobbs District Office Offset Operators - List Attached



PHILLIPS PETROLEUM COMPANY

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OFFSET OPERATORS

Sims, Well No. 10 Non-Standard Proration Unit Lea County, New Mexico

Hendrix, John H., Corporation P. O. Box 3040 Midland, Texas 79702-3040

Cross Timbers Operating Company P. O. Box 50847 Midland, Texas 79705

Marathon Oil Company P. O. Box 552 Midland, Texas 79702

American Internal Energy Corporation 5701 Woodway, Suite 333 Houston, Texas 77057

The Allar Company P. O. Box 1657 Graham, Texas 76450-1567

LMS:jha

attachment (1)