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CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

September 30, 1958

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Attn: Mr. A. L. Porter

Re: Non-Standard Gas Proration Unit, Jalmat Gas Pool, Lea County, New Mexico

Gentlemen:

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It is respectfully requested that the New Mexico Oil Conservation Commission approve this application for non-standard gas proration unit. The unit will comprise the NW/4, NE/4 and SE/4 of the NW/4 and the NW/4 of the NE/4, Section 32, T-26-S, R-37-E, consisting of 153.12 acres in Lea County, New Mexico. In support of this application, Cities Service Oil Company wishes to state the following:

1. Cities Service Oil Company is the operator of the State "O" Lease consisting of the NW/4 of the NE/4 and SE/4 of the NW/4 and the NW/4 of the NE/4, Section 32-26S-37E, Lea County, New Mexico.

2. The State "O" No. 2 is located 1980' FEL, 660' FNL, Section 32-26S-37E, Lea County, New Mexico, and is dually completed within the limits

of the Jalmat Oil Pool and Jalmat Gas Pool.

3. An exception to Rule 5A, Order R-52O, is necessary in order to assign the State "O" No. 2 a 153.12 acre non-standard gas proration unit.

4. This non-standard gas proration unit is comprised of contiguous quarter/quarter sections and lies wholly within a governmental section.

5. The entire area may reasonably be presumed to be productive of

gas.

6. A plat is attached hereto which indicates the location of the

proposed unit, subject well and offset operators.

7. An application for administrative approval to dual complete the Cities Service State "O" No. 2 is being sent with this application.

A copy of this application has been sent to each offset operator.

Very truly yours,

E. F. Motter

Assistant Division Engineer

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