

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

January 5, 1956

Mr. William B. Paddock
410 N. Texas St.
Odessa, Texas

Western Natural Gas Company
823 Midland Tower
Midland, Texas

Re: Paddock Bates #1 Sec. 18-24-37

Gentlemen:

Your attention is directed to our letter of December 30, 1955, to Mr. William B. Paddock, a copy of which was sent to Western Natural Gas Company, concerning the reclassification of the William B. Paddock Bates #1 Sec. 18-24-37. In this letter Mr. Paddock's attention was directed to a letter from us dated August 10th, 1955 in which he was advised that because his well was within the vertical limits of the Jalnet pool and the gas oil ratio exceeded 100,000 to 1 it would be necessary to classify it as a Jalnet gas well. He was further advised that he should apply for a non-standard gas proration unit and submit the necessary plats to this office, outlining the acreage which he proposed to dedicate to the well.

Failing to receive either the necessary plats from Mr. Paddock, or notice from our Santa Fe office that he had made application for a non-standard proration unit, we removed the well from the oil proration schedule on November 30th. Since that time, however, we have learned that the acreage on which the well is located had been dedicated to the Western Natural Gas Co. Bates #2-D Sec. 18-24-37, and the gas rights for this acreage belongs to Western Natural Gas Company.

This leaves Mr. Paddock in the position of not being able to operate the well, since the gas oil ratio is too high for it to be operated as an oil well, and he does not have the gas rights.

A possible solution to the problem would be for Western Natural Gas Company to reduce the acreage dedicated to the Bates #2 by applying for a non-standard gas unit of 120 acres and a 40 acre non-standard unit for the Bates #1.

OIL CONSERVATION COMMISSION

HOBBBS, NEW MEXICO

February 1944

Mr. J. Edgar Hoover
U. S. Department of Justice
Washington, D. C.

Dear Mr. Hoover:

Enclosed for you are two copies of a report on the oil conservation work of the Hobbs, New Mexico, Oil Conservation Commission during the year 1943.

Sincerely,
J. Edgar Hoover

The Hobbs, New Mexico, Oil Conservation Commission was organized in 1942 under the leadership of Mr. J. Edgar Hoover, U. S. Department of Justice. The Commission's primary objective is to conserve the oil resources of the Hobbs area and to prevent the waste of oil in the production and distribution of oil. The Commission has been successful in its efforts to conserve oil in the Hobbs area and to prevent the waste of oil in the production and distribution of oil. The Commission has been successful in its efforts to conserve oil in the Hobbs area and to prevent the waste of oil in the production and distribution of oil.

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