

September 2, 1954

NON-STANDARD 200 ACRE GAS PRODUCTION UNIT
The Texas Company's J. F. Black Well No. 2
Jalmat Gas Pool, Lea County, New Mexico

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

Attention: Mr. W. H. Macey, Director

Gentlemen:

By this letter of application The Texas Company wishes to form a 200 acre non-standard gas production unit in the Jalmat Gas Pool under paragraph 5, Rule 3 (b), Order R-520 and to state the following:

(a) That The Texas Company's J. F. Black Well No. 2, located in the NE/4 SW/4 of Section 21-24S-37E, was recompleted on August 30, 1946, as a gas well in the Yates gas pay of the presently designated Jalmat Gas Pool. The attached gas well plat, Exhibit A, shows the location of this well on The Texas Company's J. F. Black Lease and all other wells in Section 21.

(b) That the subject gas well is completed in the Yates pay which is within the vertical limits of the Jalmat Gas Pool as designated by Order R-520 dated August 12, 1954.

(c) That the subject lease contains 200 acres and consists of the NE/4 SW/4, E/2 NW/4 and W/2 NE/4 of Section 21-24S-37E, Lea County, New Mexico. That all of the above acreage is within the horizontal limits of the Jalmat Gas Pool as listed in Exhibit A of Order R-520.

(d) That the subject well now has only 40 acres, or the NE/4 SW/4 of Section 21-24S-37E, assigned to the well for allowable purposes under old Order R-358A dated November 10, 1953.

(e) That the entire 200 acre lease is productive of gas from the gas pay in the Jalmat Gas Pool. This gas production is shown by other producing gas wells within Section 21 which are the El Paso Natural Gas Company's J. F. Black Well No. 2 in the SW/4 SE/4 and Continental's Jack (A-21) Well No. 1 in SW/4 SW/4 as shown on the attached Exhibit A, and also by two other offset wells in Sections 16 and 20. These offsets which show our acreage on the north to be gas productive are Stanclind's State D Tract 14 Well No. 1 in SE/4 SE/4 of Section 16-24S-37E and Continental's Jack (A-20) Well No. 4 in SW/4 NE/4 of Section 20-24S-37E.

