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NSP-252
due 4/7/12

BEFORE THE OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF
THREE STATES NATURAL GAS COMPANY
FOR APPROVAL OF A NON-STANDARD
PRORATION UNIT CONSISTING OF 160
CONTIGUOUS ACRES IN THE JALMAT GAS
POOL IN LEA COUNTY, NEW MEXICO

CASE NO. _____

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Comes now Applicant, THREE STATES NATURAL GAS COMPANY, by its
Attorney and states:

1. It is the owner and operator of the Gulf-Lillie ~~Knight~~ #2 well located 1980 feet South of the North line and 660 feet East of the West line of Section 23, Township 24 South, Range 37 East, Lea County, New Mexico.
2. Its Gulf-Lillie ~~Knight~~ #2 well was completed as an oil well in December, 1941, at a total depth of 3517 feet with 7" casing set at 3344 feet with 150 sacks of cement and has been recompleted within the vertical limits of the Jalmat Gas Pool at P.B.T.D. of 3180 feet. Casing was perforated from 3157 to 3165 feet with forty-eight (48) shots, and shot 3158 to 3166 feet with twenty (20) quarts of nitroglycerin. Tests taken January 12 and 13, 1956, estimate an oper. flow potential of 1,530 MCF per day.
3. Its Gulf-Lillie ~~Knight~~ #2 well is situated upon fee lands and Three States Natural Gas Company is the sole owner of the operating rights down to and including the depth from which this well is produced.
4. Its Gulf-Lillie ~~Knight~~ lease is within the Jalmat Gas Pool and the entire tract of 160 acres is capable of production.
5. A plat of the above described land, the location of the subject well and all offset properties indicating well locations and lease ownership to the best of our knowledge is hereby attached and marked Exhibit "A."

WHEREFORE, Applicant requests, in the interest of conservation and protection of correlative rights, the Secretary of the Commission pursuant to the authority vested in him by Rule No. 5(b) of Commission Order R-520 grant administrative approval of the following non-standard proration unit without notice and hearing.

The allowable production from Three States Natural Gas Company's Gulf-Lillie ~~Neight~~ non-standard gas proration unit of 160-acres, as compared with the allowable production therefrom if this tract were a standard unit, be in the ratio which the area of the non-standard proration unit (to-wit: 160 acres) bears to a standard proration unit.

Respectfully submitted,

THREE STATES NATURAL GAS COMPANY

By 
Joseph P. Donahue, Jr.
Attorney