NSP-248

Hole

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSIO

APPLICATION OF ANDERSON-PRICHARD OIL) CORPORATION FOR ADMINISTRATIVE APPROVAL) PURSUANT TO THE PROVISIONS OF RULE 5(b)) OF ORDER NO. R-520 OF A 120-ACRE NON-) STANDARD GAS PRORATION UNIT IN THE JALMAT) GAS POOL, CONSISTING OF THE S/2 NW/4 AND) NW/4 NW/4 OF SECTION 32, TOWNSHIP 24) SOUTH, RANGE 37 EAST, N.M.P.M., LEA) COUNTY, NEW MEXICO.)

APPLICATION

Comes now the applicant and in support of its application, states:

1. That it is the owner and operator of the State A-32 No. 1 well which was drilled prior to the issuance of Order No. R-520 at a location 660 feet from the South and West lines of the NW/4 of Section 32, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

2. That said well was recompleted in the Jalmat Gas zone on February 13, 1956 with an initial potential of 4350 MCF absolute open flow.

3. That in applicant's opinion, the proposed non-standard gas proration unit meets the requirements of Rule 5(b) of Order No. R-520 for the following reasons:

> (a) The unit consists of contiguous quarterquarter sections lying wholly within a single governmental section;

> (b) The length or width of the unit does not exceed 5280 feet;

(c) The unit lies within the horizontal limits of the Jalmat Gas Pool and may reasonably be presumed to be productive of gas.

4. That the royalty interest ownership and working interest ownership are common under the unit area.

5. That attached to this Application and identified as Exhibit "A" is a plat showing the acreage in the proposed unit, the location of the well, and the offset ownership.

6. That attached to this Application and identified as Exhibit "B" is an affidavit stating that all operators owning an interest in the section in which the proposed non-standard proration unit is located and all operators owning an interest within 1500 feet of the State A-32 No. 1 well have been sent a copy of this Application by registered mail.

WHEREFORE, applicant requests administrative approval of this Application and the issuance of an Order authorizing said 120-acres as a gas proration unit in the Jalmat Gas Pool for applicant's State A-32 No. 1 well.

ANDERSON-PRICHARD OIL CORPORATION

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Charles F.

Its Attorney