

PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762 4001 PENBROOK

NATURAL RESOURCES GROUP Exploration and Production

July 18, 1978

Vernon No. 1, Non-Standard Proration Unit, Jalmat Gas Pool, Lea County, New Mexico

File: W2-McL-164-78

Oil Conservation Division - 3 New Mexico Department of Energy & Minerals Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,

Secretary-Director

Gentlemen:

We respectfully request administrative approval, subject to the 30 day waiting period, of a 40 acre non-standard proration unit in the Jalmat Gas Pool to be dedicated to the Vernon Well No. 1 located in Unit J of Section 36, T-24-S, R-36-E, Lea County. Such action will be as an exception to Jalmat Gas Pool Rule No. 5(A) of Order No. R-1670 which requires 640 acre standard proration units and as provided by Statewide Rule 104-D-II(d). This is a 40 acre lease.

The captioned well was completed as an oil well in the Jalmat Pool on June 29, 1976. However, the most recent well test dated March 8, 1978, of 29 Mcf gas and zero (0) barrels oil per day establishes statutory gas well status in the Jalmat Gas Pool which is prorated.

Attached is Form C-102 "Acreage Dedication Plat", an area plat reflecting off-set operators, and a tabulated list of these operators. A copy of this request has been sent to each operator by certified mail.

Your consideration will be appreciated.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

T. Harold McLemore

Area Regulation and Proration Analyst

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THM/ga

Attachments

New Mexico Dept. of Energy & Minerals V
Oil Conservation Division
Box 1980

Hobbs, New Mexico 88240

Offset Operators per attached list

Attachments

RENED