MAIN OFFICE PETROLEUM AND ITS PRODUCTS CORPORATION 1L P. O. DRAWER 1290 · FORT WORTH 1, TEXAS HOMPSON IVISION PRODUCTION MANAGER PRODUCTION DIVISION

May 10, 1956

Re: Application for 80-Acre Non-Standard Gas Proration Unit, Jalmat Gas Pool, Comprising E/2 SE/4 of Section 36, T-23-S, R-36-E, Lea County, New Mexico

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

Gentlemen:

Gulf Oil Corporation hereby makes application for approval of a non-standard gas proration unit comprising E/2 SE/4 of Section 36, T-23-S, R-36-E, Lea County, New Mexico, and in Support thereof states the following facts:

- (1) Gulf Oil Corporation is owner and operator of an oil and gas lease known as its J. R. Holt "B" Lease, Lea County, New Mexico, as shown on the attached plat.
- (2) Gulf Oil Corporation proposes that the above described acreage be established as a non-standard 80-acre.gas proration unit in exception to Rule 5(a) of Order R-520.
- (3) The J. R. Holt "B" Well No. 2, located 660 feet from the East line and 660 feet from the South line of Section 36, T-23-S, R-36-E, Lea County, New Mexico, was completed April 23, 1956, as a gas-oil dual well. This well is in the Jalmat Gas Pool and Langlie-Mattix Oil Pool. The applicant proposes to use this well as the unit well.
- (4) The proposed non-standard gas proration unit will meet the requirements of Rule 5(b) of the Oil Conservation Commission Order No. R-520 as follows:
 - (a) Contiguous quarter-quarter sections will comprise the unit.
 - (b) The proposed unit lies wholly within a single governmental section.

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- (c) All acreage within the proposed unit may reasonably be presumed productive of gas.
- (d) The length or width of the proposed unit does not exceed 5,280 feet.
- (e) Gulf Oil Corporation is lessee and operator of all the acreage comprising the proposed unit as shown on the attached plat, and by copy of this letter of application, all operators owning interest in the section in which the proposed unit is located and all operators within 1,500 feet of the proposed unit well are notified by registered mail of the intent of Gulf Oil Corporation to form the proposed non-standard gas proration unit. (See attached affidavit.)
- (5) The approval of this application for a 80-acre non-standard gas proration unit will, in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.

In view of the existence of the facts herein stated and compliance with the provisions of Rule 5(b) of the Oil Conservation Commission's Order No. R-520, Gulf Oil Corporation requests that the Secretary of the Commission approve the above described non-standard gas proration unit.

Respectfully submitted,

GULF OIL CORPORATION

Division Production Manager

cc: Registered Mail - Return Receipt Requested: Amerada Petroleum Corporation Attn: Mr. R. S. Christie

Box 2040

Tulsa Oklahoma

(Continued on Next Page)

Oil Conservation Commission

cc: Registered Mail - Return Receipt Requested: (Continued)

Cities Service Oil Company Box 97 Hobbs, New Mexico Continental Oil Company Box 427 Hobbs, New Mexico Ralph Lowe Box 832 Midland, Texas Magnolia Petroleum Company Attn: Mr. W. A. Daniel Box 727 Kermit, Texas Skelly Oil Company Box 38 Hobbs, New Mexico The Texas Company Box 1270 Midland, Texas

cc: Oil Conservation Commission P. C. Box 2045 Hobbs, New Mexico -3-

STATE OF TEXAS

COUNTY OF TARRANT

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BEFORE ME, the undersigned authority, on this day personally appeared <u>J. W. Cole, Jr. - Assistant Division Gas Engineer</u> of the Fort Worth Production Division of Gulf Oil Corporation, who, after being by me duly sworn, upon his oath states that, to the best of his knowledge, the statements contained in the foregoing Application of Gulf Oil Corporation, dated <u>May 10</u>, 1956, are true and correct and that copies of such Application were duly deposited on <u>May /4</u>, 1956, in the United States post office as registered mail, with all charges prepaid, addressed to each of the parties shown receiving carbon copies of such Application.

J. W. Cole,

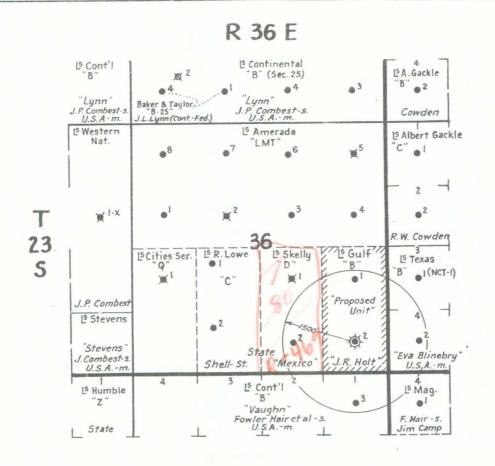
SUBSCRIBED AND SWORN to before me by the said <u>J.W. Cole, Jr.</u> this <u>14th</u> day of <u>May</u>, 195<u>6</u>, to certify which witness my hand and seal of office.

Sr. J. H. King, Jr.

Notary Public in and for Tarrant County, Texas

My Commission Expires:

June 1. 1957



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GULF OIL CORPORATION FORT WORTH PRODUCTION DIVISION Scale 1" = 2,000'

Plat Accompanying Application for 80-Acre Non-Standard Gas Unit

Gulf - J. R. Holt "B" Lease