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P. O. Drawer 669

Roswell, New Mexico

1050 SEP 2 III Augusti 31, 1960

W. A. Shellshear DISTRICT MANAGER F. O. MORTLOCK DISTRICT EXPLORATION MANAGER M. I. Taylor DISTRICT PRODUCTION MANAGER G. A. Price DISTRICT SERVICES MANAGER

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Oil Conservation Commission State of New Mexico Post Office Box 871 Santa Fe, New Mexico Re: Application for Approval of ACT System for Devonian Production, Gladiola Pool, Underlying Gulf's M.M. Harris Lease, NW/4 Section 8, T-12-S, R-38-E, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation herewith makes application for exception to the applicable Rules and Regulations of the New Mexico Oil Conservation Commission to install and operate automatic custody transfer equipment for Devonian production on the subject lease.

Gulf will request exception to NMOCC's Rule 309(a) which requires measurement of all oil in tanks before such oil is transported from the lease.

In support of this application, Gulf Oil Corporation states the following:

- (A) Applicant is the owner and operator of the M. M. Harris Lease, which consists of the NW/4 of Section 8, Township 12-South, Range 38 East, Lea County, New Mexico. Lease plat is attached.
- (B) There is no diversity of royalty ownership underlying the above described lease.
- (C) The proposed ACT installation will have adequate facilities for all required tests and will result in efficient accounting of crude oil transferred to the pipeline gathering system.
- (D) The granting of this application is in the interest of conservation and will protect correlative rights.
- (E) By copy of this letter, all offset operators and the pipeline concern are notified of this application.

Gulf Oil Corporation respectfully requests that this matter be set for examiner hearing at an early date.

Yours very truly,

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W. A. Shellshear

JHH:sz

Oil Conservation Commission

cc: Oil Conservation Commission Post Office Box 2045 Hobbs, New Mexico

> Ralph Lowe Post Office Box 832 Midland, Texas

Sunray Mid-Continent Oil Company 1101 Wilco Building Midland, Texas

Sinclair Oil & Gas Company Post Office Box 1470 Hobbs, New Mexico

Cities Service Post Office Box 97 Hobbs, New Mexico

Magnolia Pipe Line Company Post OfficeBox 1073 Midland, Texas

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSM/esr

CC: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
Mobil Pipeline Company, P. O. Box 1073, Midland, Texas

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OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

April 8, 1968

Gulf Oil Corporation P. O. Box 98 Andrews, Texas

Attention: Mr. Fred G. Courtney

Re: Automatic Custody Transfer Commission Order No. R-1789

Gentlemen:

Cire 2086

Reference is made to your letter dated March 6, 1968, wherein you advise that due to the present low production rate on your M. M. Harris Lease in the Gladiola-Devonian Pool, Lea County, New Mexico, you propose to remove the automatic custody transfer system authorized by Commission Order No. R-1789.

The Oil Conservation Commission has no objection to the removal of the subject automatic custody transfer unit and Order No. R-1789 will be placed in absyance.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission - Hobbs Oil & Gas Engineering Committee - Hobbs Mobil Pipeline Company, P. O. Box 1073, Midland, Texas





P. O. Box 98 Andrews, Texas

New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501

> Re: Remove LACT; M. M. Harris Lease, Gladiola (Devonian) Pool, Lea County, New Mexico

Gentlemen:

New Mexico Oil Conservation Commission Order No. R-1789, dated October 3, 1960, authorized Gulf Oil Corporation to install an automatic custody transfer system to handle the Gladiola (Devonian) Pool production from all wells presently completed or hereafter drilled on the M. M. Harris Lease, comprising the NW/4 of Section 8, T 12 S, R38E, NMPM, Lea County, New Mexico.

Because of the present low production rate at the subject lease, the operation and maintenance of an LACT unit is no longer justified. It is requested that the above Order be cancelled and Gulf will remove the LACT unit. Arrangements with the transporter have already been made for running of crude from this lease by conventional methods.

Yours very truly,

GULF OIL CORPORATION

Fred G. Courtney

Area Production Manager

JLM/rn cc: Oil Conservation Commission P.O. Box 1980 Hobbs, New Mexico 88240

> Mobil Pipeline Co. P.O. Box 1073 Midland, Texas 79701

M. I. Taylor Roswell, New Mexico

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GOVERNOR

JOHN BURROUGHS CHAIRMAN

State of New Mexico Oil Conservation Commission



P. O. BOX 871 Santa Fe STATE GEOLOGIST A. L. PORTER, JR. Secretary director

Mr. Bill Kastler Gulf Oil Corporation Box 669 Roswell, New Mexico Re: Case No _____ 2086 Order No ______ 789

Applicant:

Gulf Oil Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

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Carbon copy of order also sent to:

Hobbs OCC _____ Artesia OCC _____ Aztec OCC _____

Other_____

LAND COMMISSIONER MURRAY E. MORGAN MEMBER