

# Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. B. Hopkins  
DISTRICT MANAGER  
M. I. Taylor  
DISTRICT PRODUCTION  
MANAGER  
F. O. Mortlock  
DISTRICT EXPLORATION  
MANAGER  
H. A. Rankin  
DISTRICT SERVICES MANAGER

P. O. Drawer 1938  
Roswell, New Mexico 88201

February 8, 1965

*250 3515*

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

Re: Application of Gulf Oil Corporation  
for the Approval of the Mescal Wash  
Unit Agreement Providing for the  
Development and Operation of 21,445.78  
acres in and adjacent to Township 26  
South, Range 23 East, Eddy County,  
New Mexico.

Dear Sir:

Gulf Oil Corporation as the proposed Unit Operator respectfully  
herein requests the Commission's approval of the Mescal Wash Unit Area  
on the grounds that the proposed unit plan will in principle tend to  
promote the conservation of oil and gas and the prevention of waste.  
In support of its application Gulf states as follows:

1. That the Unit Area shall be:

T. 25 S., R. 23 E., N.M.P.M.

Section 34: E/2 and SW/4  
Section 35: All  
Section 36: All

T. 26 S., R. 22 E., N.M.P.M.

Section 1: SE/4 and E/2 SW/4  
Section 12: E/2 and E/2 W/2  
Section 13: E/2 and E/2 W/2  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All

T. 26 S., R. 23 E., N.M.P.M.

Section 1: All  
Section 2: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: E/2 and SW/4  
Section 7: All  
Section 8: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: All  
Section 15: All  
Section 16: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All

**DOCKET MAILED**

Date 2-26-65

*[Signature]*



containing 21,445.78 acres. more or less. Eddy County, New Mexico

Secretary-Director  
New Mexico Oil Conservation Commission  
Page 2  
Mescal Wash Unit

2. That a reasonable interpretation of subsurface information indicates a possibility of encountering reef type sediments in the upper Pennsylvanian or lower stratigraphic traps in the lower Pennsylvanian sufficient to warrant the greater than average-risk involved.
3. That the Unit Operator shall file with the Commission an executed original or an executed counterpart of the Mescal Wash Unit and Unit Operating Agreement within 30 days after the effective date thereof.
4. That any party owning rights in the unitized substances which does not commit such rights to said Unit Agreement before the effective date hereof may thereafter become a party thereto by subscribing to such agreement or a counterpart thereof or by ratifying the same subject to the usual terms and provisions.
5. That the proposed Unit Agreement contains approximately 91% federal lands, 7% state lands and 2% privately owned lands. Preliminary commitment has been obtained from better than 85% of the Working Interest Owners. Preliminary approval and designation of the unit area has been obtained from the Acting Director of the United States Geological Survey and the Commissioner of Public Lands has approved said instrument in form and content. At the present time the instrument is being finally executed by Working Interest and Royalty Owners.
6. That the Order of the Commission should become effective upon the final approval of said Unit Agreement by the Commissioner of Public Lands and the Director of the United States Geological Survey and should terminate ipso facto upon the termination of said Unit Agreement.

The Unit test well is to be located in the SW/4 NE/4 of Section 17, Township 26 South, Range 23 East. The well is projected to a depth adequate to test the Pennsylvanian formation, not to exceed 8,500 feet beneath the surface.

It is requested that this matter be set for hearing at the earliest time.

Respectfully submitted,

GULF OIL CORPORATION

By W. B. Hopkins  
W. B. Hopkins

# Gulf Oil Corporation

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containing 21,445.78 acres, more or less, Eddy County, New Mexico

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Mescal Wash Unit

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4. That any party owning rights in the unitized substances which does not commit such rights to said Unit Agreement before the effective date hereof may thereafter become a party thereto by subscribing to such agreement or a counterpart thereof or by ratifying the same subject to the usual terms and provisions.
5. That the proposed Unit Agreement contains approximately 91% federal lands, 7% state lands and 2% privately owned lands. Preliminary commitment has been obtained from better than 85% of the Working Interest Owners. Preliminary approval and designation of the unit area has been obtained from the Acting Director of the United States Geological Survey and the Commissioner of Public Lands has approved said instrument in form and content. At the present time the instrument is being finally executed by Working Interest and Royalty Owners.
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WVK:ejl

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By W. B. Hopkins  
W. B. Hopkins

WVK:ejl

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 10, 1965

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- CASE 2764: (Reopened and continued from the February 10, 1965 Examiner Hearing)  
In the matter of Case No. 2764 being reopened pursuant to the provisions of Order No. R-2439, which order established temporary 640-acre spacing units for the West Jal-Strawn Gas Pool, Lea County, New Mexico, for a period of two years. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.
- CASE 3203: (Continued from the February 10, 1965 Examiner Hearing)  
Application of Schermerhorn Oil Corporation for a non-standard location and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the N/2 NE/4 of Section 5, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Linam G Well No. 1 at a non-standard location 1025 feet from the North line and 1953 feet from the East line of said Section 5.
- CASE 3214: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Teague-Simpson Pool by the injection of water into the Simpson formation through two injection wells located in Units B and G of Section 34, Township 23 South, Range 37 East, Lea County, New Mexico.
- CASE 3215: Application of Gulf Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Mescal Wash Unit Area comprising 21,446 acres, more or less, of Federal, State and Fee lands in Townships 25 and 26 South, Ranges 22 and 23 East, Eddy County, New Mexico.
- CASE 3216: Application of Gulf Oil Corporation for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the expansion of its West Pearl Queen Unit Waterflood Project, Pearl Queen Pool, Lea County, New Mexico, to include the NW/4 of Section 28, Township 19 South, Range 35 East; applicant further seeks authority to convert two additional wells to water injection, said wells being located in Units D and F of said Section 28.
- CASE 3217: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Sutton, dba Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Stanolind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 36, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.

MARCH 10, 1965 EXAMINER HEARING

CASE 3218: Application of Newmont Oil Company for a non-standard location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Fidel Well No. 5 as a water injection well to inject water into the Lower Grayburg and Upper San Andres formations in its East Square Lake Waterflood Project, at a non-standard location 50 feet from the North line and 50 feet from the East line of Section 29, Township 16 South, Range 31 East, Eddy County, New Mexico.

CASE 3219: (Continued to the March 24, 1965 Examiner Hearing)  
Application of Humble Oil & Refining Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its State "M" lease waterflood project by the conversion to water injection of 13 additional wells located in Sections 19, 20, 29, 30 and 31, Township 22 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.