

Gulf Oil Exploration and Production Company

WESTERN DIVISION

L. A. Turner
GENERAL MANAGER
OIL PRODUCTION OPERATIONS

September 24, 1984

P. O. Drawer 1150
Midland TX 79702

EXHIBIT NO. 39

Case No. 8397

November 7, 1984

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets, Acting Director

Gentlemen:

Re: Applications for Commissioners'
Hearing for
Eunice Monument South Unit,
Lea County, New Mexico

Gulf Oil Corporation respectfully requests that our attached applications concerning the proposed Eunice Monument South Unit, Lea County, New Mexico, be set for the earliest scheduled Commissioners' Hearing in November, 1984. The attached applications, each for separate docketing, are for Statutory Unitization, Authority to Institute a Waterflood Project, and the Extension of the Vertical Limits of the Eunice-Monument Oil Pool for the proposed Eunice Monument South Unit.

The proposed Eunice Monument South Unit area consists of 14,189.84 acres, more or less, comprising approximately 357 40-acre units divided into 101 individual tracts. The proposed vertical interval to be unitized shall include the formations from a lower limit defined by the base of the San Andres formation, to an upper limit defined by the top of the Grayburg formation or a -100 foot subsea datum, whichever is higher.

The purpose for forming the Eunice Monument South Unit is to provide for secondary recovery operations to substantially increase the ultimate recovery of oil and gas. Gulf projects that, as a result of unitized management, operation and further development of the "Unitized Interval" within the "Unit Area", the ultimate production will increase by approximately 64.2 million barrels of oil over a 30 year flood life.

To establish an effective and manageable waterflood project, the contraction of the vertical limits of the Eumont Gas Pool and the upward extension of the vertical limits of the Eunice-Monument Oil Pool under the proposed Unit Area is needed. This will allow for a more controllable waterflood of the entire oil column within the



Unitized Interval, thereby preventing waste and protecting correlative rights.

Submitted and attached to the enclosed applications are copies of the Unit Agreement and Unit Operating Agreement, various plats of the Unit Area, a table detailing ownership of oil and gas interests, percentages and participations in the Unit, a well log showing the vertical limits of the Unitized Interval, the OCD Form C-108, wellbore configurations of proposed injection wells, geologic data, fresh water source data, and schematic diagrams and other pertinent well data on all wells within the Unit boundary and one-half mile outside the Unit boundary.

The working interest owners, operators, and surface land owners within the Unit Area, as well as offset operators, the Commissioner of Public Lands of the State of New Mexico, and the District Director of the Bureau of Land Management are being notified of this request by a copy of this letter, a Unit Area plat, and each of the applications without their attachments.

Your consideration and granting of the attached applications for a Commissioners' Hearing in November, 1984, regarding the proposed Eunice Monument South Unit, will be greatly appreciated. If you should need additional information or have any questions concerning this, please contact Mr. D. T. Berlin at (915) 687-7339 or Mr. A. W. Bohling at (915) 687-7336.

Yours very truly,

A handwritten signature in black ink, appearing to read "L. A. Turner". The signature is fluid and cursive, with a long horizontal stroke at the end.

L. A. TURNER

AWB:ac

Enclosures

cc: Enclosed List
W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501

STATE AND FEDERAL AGENCIES

United States Department of the Interior
Bureau of Land Management
Roswell District Office
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Mr. Roy Stovall

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504

Attention: Mr. Jim Baca

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
District 1
P. O. Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

WORKING INTEREST OWNERS

Amerada Hess
P. O. Box 2040
Tulsa, Oklahoma 74102
Attn: Mr. J. C. Hefley, Mgr.
Joint Venture-U.S., Onshore

Amoco Production Company (USA)
P. O. Box 3092
Houston, Texas 77253
Attn: Mr. Bruce A. Landis, Jr.

Apollo Oil Company
P. O. Box 1737
Hobbs, New Mexico 88240
Attn: Mr. Alan Ralston

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702
Attn: Mr. C. R. Leggott

Mr. Kenneth R. Boss
East Star Route
Box 9-B
Lovington, New Mexico 88260

Brady Production Company
P. O. Box 9128
Midland, Texas 79708

Mrs. Ethel T. Dennis
c/o Crane Oil Company
P. O. Box 1764
Midland, Texas 79702

Earl R. Bruno
P. O. Box 5456
Midland, Texas 79704

Mr. John Catron
Catron Working Interest Accts.
Catron, Catron and Sawtell
P. O. Box 788
Santa Fe, New Mexico 87501

Chevron U.S.A., Inc.
P. O. Box 1660
Midland, Texas 79702
Attn: Mr. W. A. Goudeau

Cities Service Company
P. O. Box 1919
Midland, Texas 79702
Attn: Mr. K. D. Van Horn

Conoco, Inc.
P. O. Box 460
Hobbs, New Mexico 88240
Attn: Mr. Mark K. Mosely

Estate of Herman R. Crile, Sr.
c/o Mr. Bernard Johnston
P. O. Box 880
Roswell, New Mexico 88201

Mr. Thomas W. Ellison
2502 Cimmaron
Midland, Texas 79705

Exxon Company, U.S.A.
P. O. Box 1700
Midland, Texas 79702
Attn: Mr. R. R. Hickman

Bert Fields, Jr.
11835 Preston Road
Dallas, Texas 75230
Attn: Mr. Jerry H. Doughman

First National Bank
105 North Main
Wichita, Kansas 67202
Attn: Mr. Steven Woods, Trust Dept.
U W of Wm. E. Perdue

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702
Attn: Mr. Raymond H. Elchr

Mr. Doyle Hartman
P. O. Box 10426
Midland, Texas 79702

Mr. Kenneth Headley
P. O. Box 569
Tijeras, New Mexico 87509

John H. Hendrix Corporation
525 Midland Tower
Midland, Texas 79701
Attn: Mr. John H. Hendrix

E. R. Hudson, Agent for the
Charles H. Moore, et al. Interest
1440 Interfirst Tower
801 Cherry Street
Fort Worth, Texas 76102

ILLEGIBLE

William A. and Edward R. Hudson
1440 Interfirst Tower
801 Cherry Street
Fort Worth, Texas 76102
Attn: Mr. Edward R. Hudson

Mr. Michael Klein
One First City Center
Suite 505
Midland, Texas 79701

Ms. Suzanne H. Klein
1980 South Post Oak
Suite 1075
Houston, Texas 77056

Koch Exploration Company
P. O. Box 2256
Wichita, Kansas 67201
Attn: Mr. Jim Whisnand

George H. Landreth
206 Bluff Crest
San Antonio, Texas 78216

W. A. Landreth
908 The Texas Building
Fort Worth, Texas 76102

ME-TEX Companies
P. O. Box 2070
Hobbs, New Mexico 88240
Attn: Mr. Burton Veteto

Mr. Carl R. Pfluger
Box S
Eden, Texas 76837

RepublicBank Dallas
Oil & Gas Trust Dept.
Jeanne Fields Shelby, et al, Agency
No. 9591-00
P. O. Box 241
Dallas, Texas 75221
Attn: Mr. Jim B. Brown
Vice President

S & S Engineering
P. O. Box 8923
Midland, Texas 79708

Shell Oil Company
P. O. Box 991
Houston, Texas 77001
Attn: Mr. E. G. Ratterree

Sun Exploration and Production Co.
Campbell Center II
P. O. Box 2880
Dallas, Texas 75221
Attn: Mr. J. W. Thornton

Fred Turner, Jr., Trust
P. O. Box 910
Midland, Texas 79702
Attn: Mr. Ray Floyd

Two States Oil Company
Suite 1401
Mercantile Commerce Bldg.
Dallas, Texas 75201
Attn: Mr. Walter Crane

Mr. Bruce Wilbanks
P. O. Box 763
Midland, Texas 79702

The Wiser Oil Company
P. O. Box 192
Sistersville, W. VA. 26175
Attn: Mr. Charles P. LaFue

ILLEGIBLE

SURFACE LAND OWNERS

Climax Chemical Co.
Box 1595
Hobbs, New Mexico 88240

Phillips Petroleum Co.
4001 Pennbrook St.
Room 206
Odessa, Texas 79762

O. L. Coleman Estate
c/o Emma Liston Archer Trust
211 W. 6th St.
Hale Center, Texas 79041

Mary Vern Ramson
28890 Lilac Rd.; Space 148
Valley Center, California 92082

Delbert D. Cooper
Box 421
Eunice, New Mexico 88231

Arco Pipeline Co.
Arco Bldg.
Independence, Kansas 67301

Tommie Lou Cooper & Sons
834 Gold
Hobbs, New Mexico 88240

Eunice City Hall
1106 Avenue J
Eunice, New Mexico 88231

Millard Deck Estate
c/o Kirkwood & Darby
Continental Nat'l Bank Bldg.
Fort Worth, Texas 76102

El Paso Natural Gas Co
P.O. Box 1492
El Paso, Texas 79978

A. C. Hooper Estate
c/o Mrs. Aubrey F. Houston/Adm.
712 W. Houston St.
Sulphur Springs, Texas 75480

E.L. Houston
712 W. Houston
Sulphur Springs, Texas 75480

Tom Kennan
Box 202
Eunice, New Mexico 88231

ILLEGIBLE

Dallas McCasland, Inc.
c/o W. J. McCasland
P.O. Box 156
Eunice, New Mexico 88231

OFFSET OPERATORS

Adobe Oil & Gas Corp.
1100 Western United Life Bldg.
Midland, Texas 79701

Anadarko Production Co.
P. O. Box 2497
Midland, Texas 79702

Lewis B. Burleson, Inc.
P. O. Box 2479
Midland, Texas 79702

Campbell & Hedrick
P. O. Box 401
Midland, Texas 79701

El Paso Natural Gas Co.
P. O. Box 1492
El Paso, Texas 79978

Elliott Oil Co.
P. O. Box 2159
Abilene, Texas 79604

J. L. Evans
P. O. Box 1125
Eunice, New Mexico 88231

Hanson Operating Co.
P. O. Box 1515
Roswell, New Mexico 88202

Ernie L. Hegwer Co.
P. O. Box 24
Hobbs, New Mexico 88240

John H. Hendrix Corp.
525 Midland Tower
Midland, Texas 79701

Carbon Energy, Inc.
P. O. Box 129
Hobbs, New Mexico 88240

Millard Deck Estate
c/o Kirkwood & Darby
Continental Nat'l Bank Bldg.
Fort Worth, Texas 76102

McInnis, John W. & Hugh N. Wood
P. O. Box 763
Hobbs, New Mexico 88240

Kern Co.
3005 N. Big Spring
Midland, Texas 79705

MKA Oil Properties
One First City Center
Suite 505
Midland, Texas 79701

Marathon Oil Co.
P. O. Box 552
Midland, Texas 79702

Petro Lewis Corp.
P. O. Box 2250
Denver, Colorado 80201

Phillips Petroleum Co.
4001 Penbrook
Odessa, Texas 79762

Superior Oil Co.
204 W. Illinois
Midland, Texas 79702

Tenneco Oil Co.
P. O. Box 2511
Houston, Texas 77001

Trio Oil Co.
c/o Oil Reports
P. O. Box 763
Hobbs, New Mexico 88240

Warrior, Inc.
125 Midland Tower
Midland, Texas 79701

Zia Energy, Inc.
P. O. Box 603
Hobbs, New Mexico 88240

Sohio Petroleum Co.
P. O. Box 3000
Midland, Texas 79702

Yarbrough Oil Co.
P. O. Box 1001
Eunice, New Mexico 88231