OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

muldle of or give with the state of the constitution of the consti

January 11, 1955

Gulf Oil Corporation P. O. Drawer 1290 Fort Worth 1, Texas

Attention: Mr. G. H. Fisher

Gentlemen:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. This acreage was to have been assigned to your Amos B. Reeves No. 2, located 1980' from the North line and 660' from the West line of Section 29.

Order R-520, Rule 5 (a) paragraph 3, clearly limits, as to the well location, the number of acres that can be assigned a non-standard gas proration unit. This office is unable to grant approval of a non-standard gas proration unit for the above mentioned well of over 160 acres because of the said well's location to its North and West boundaries.

If you have any information which we have not considered or if you should desire a hearing on this matter, please notify the Commission at your earliest convenience.

Very truly yours,

W. B. Macey Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs

N. M. Oil & Gas Engineering Committee, Hobbs

of acreage is made, we wish to call to your attention the necessity for the overproduction attributable to the reassigned 80 acres to be allocated to the Amos B. Reeves #2 in order that future production of the Bell-Remsay "B" #1 and payments to the State of New Mexico for royalty on such production will be maintained on an equitable basis. According to the Gas Preration Schedule Order No. AG-2-E for November, 1954, the October Net Allowable for the Bell-Remsay "B" #1 was -209,714 MCF and the November current allowable was 23,747 MCF. Our records reflect that during October the well produced 43,916 MCF and all during November the well was closed in and it will remain closed in until such time as the overproduction is made up. The overproduction as of December 1, 1954, was 229,883 MCF. We respectfully request that 50 per cent of the overproduction sharged against our Bell-Remsay "B" #1, as of the date the 320-acre Amos B. Reeves Unit is approved, be reallocated to the Amos B. Reeves #2 gas well.

This matter has been discussed in a telephone conversation on December 3, 1954, between Mr. J. D. Walker of Gulf and Messrs. A. L. Porter, Jr., and S. J. Stanley of your Hobbs office. Messrs. Porter and Stanley advised that we should direct our request to your Santa Fe office since gas well allowables and proration schedules are prepared there.

Yours very truly,

Juda V. Hillwa

GORDON H. FISHER

con Mr. E. S. Walker, Land Commissioner
P. O. Box 791
Santa Fe. New Mexico W/attch.

Oll Conservation Commission P. O. Box 2045 Hobbs, New Mexico Attn: Mr. A. L. Porter, Jr.

PETROLEUM AND ITS PRODUCTS MAIN OFFICE OCC GULF OIL CORPORATIO P. O. DRAWER 1290 · FORT WORTH I, TEXAS GORDON H. FISHER PRODUCTION DIVISION MANAGER OF PRODUCTION December 1, 1954 Application for 320-acre Non-Standard Gas Proration Unit, Eumont Gas Pool, Comprising S/2 of N/2 and N/2 of S/2. Section 29, T-20-S, R-37-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 the S/2 of N/2 and N/2 of S/2, Section 29, T2OS, R37E, Lea County, New Mexico, and in support thereof states the following facts: (1) Gulf Oil Corporation is the owner and operator of an oil and gas lease known as the Amos B. Reeves Lease which comprises the 320 acres above described. The Amos B. Reeves #2 located 1980 feet from the North line and 660 feet from the West line, Section 29, T20S, R37E, Lea County, New Mexico, was originally completed on July 20, 1937, as an oil well in the Eunice-Monument Pool. This well has been plugged back from a total depth of 3840 feet to a depth of 3634 feet and on November 26, 1954, was recompleted as a gas well in the Eumont Gas Pool. The applicant proposes to use this well as the unit well. (3) 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. (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 5280 feet.
- (e) By copy of this letter of application all operators owning interests in the section in which the proposed unit is located and all operators within 1500 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)

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 provation unit.

Respectfully submitted,
GULF OIL CORPORATION

By: S. H. Fisher
Manager of Production

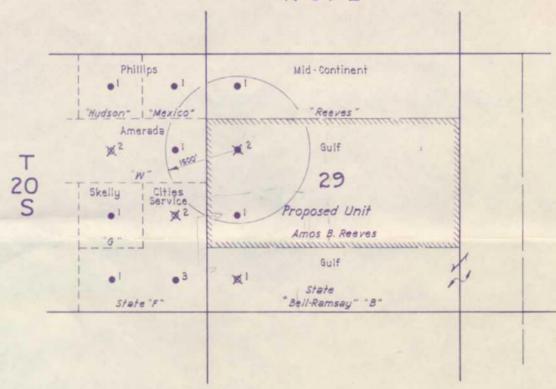
cc: Registered Mail - Return Receipt Requested:

Amerada Petroleum Corporation Box 2040 - Tulsa, Oklahoma Attn: Mr. R. S. Christie

Mid-Continent Petroleum Corporation Box 830 Midland, Texas

Cities Service Oil Company Box 97 Hobbs, New Mexico

Phillips Petroleum Company Box 2105 Hobbs, New Mexico



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

Plat Accompanying Application for 320 Acre Non-Standard Gas Unit

Gulf - Amos B. Reeves Lease

NSP-52

STATE OF TEXAS

COUNTY OF TARRANT

BEFORE ME, the undersigned authority, on this day personally appeared T. W. Rhoeds -- Division Gas Engineer of the Fort Worth Production Division of Gulf Oil Corporation, who, after being by me duly sworn, upon his oath states that copies of the foregoing Application of Gulf Oil Corporation, dated December 1, 1954, were duly deposited on December 1, 1954, 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.

7. W. Rhoads

Notary Public in and for Tarrant County, Texas

My Commission Expires:

June 1, 1955

OIL CONSERVATION COMMISSION

BOX 2045

DATE December 15, 1954

HOBES, NEW MEXICO

MR. W. B. MACEY OIL CONSERVATION COMMISSION BOX 871 SANTA FE, NEW MEXICO	RE: PROPOSED NSP52	
Dear Mr. Macey: no application I have examined the application dated	PROPOSED NSL	
for the Gulf A. R. Reeves #2-E Operator Lea	29-20-37 Fumont ase and Well No. S-T-R	
and my recommendations are as follows	3:	
Approve	1	

Stanley J. Stanley

Yours very truly,

OIL CONSERVATION COMMISSION

Engineer