

SEP 26 1969

Gulf Oil Company - U.S.

EXPLORATION AND PRODUCTION DEPARTMENT
ROSWELL DISTRICT

P. O. Drawer 1938
Roswell, New Mexico 88201

September 24, 1969

T. W. Kidd,
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
P. E. Wyche
DISTRICT EXPLORATION
MANAGER
H. A. Rankin
DISTRICT SERVICES MANAGER

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NSL
3
infill producing

Handwritten: Order R-2729
R-2729
by R-2729-A
issued 9-29-69

Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Re: Application of Gulf Oil Corporation for Administrative Approval to Drill Three Infill Producing Wells at Unorthodox Locations in the West Pearl Queen Unit, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation, as operator of the West Pearl Queen Unit, and in accordance with Commission Order No. R-2729-A, respectfully requests administrative approval to drill three infill producing wells in the West Pearl Queen Unit, Lea County, New Mexico. It is proposed to drill the West Pearl Queen Unit Well No. 166 at an unorthodox location 5 feet from the south line and 1325 feet from the east line of Section 28, the West Pearl Queen Unit Well No. 167 at an unorthodox location 1315 feet from the south line and 1325 feet from the east line of Section 29, and West Pearl Queen Unit Well No. 168 at an unorthodox location 1150 feet from the north line and 1150 feet from the east line of Section 31, all in Township 19 South, Range 35 East, Lea County, New Mexico, as shown on the attached plat.

In support of this application, the following facts are submitted:

- (1) The West Pearl Queen Unit Waterflood project was approved by Order No. R-2729 in Case No. 3066, on June 18, 1964.
- (2) The West Pearl Queen Unit was approved by Order No. R-2728 in Case No. 3065, also on June 18, 1964.
- (3) The West Pearl Queen Unit was formed to increase the ultimate recovery of oil from the Pearl Queen Pool underlying the Unit.
- (4) The West Pearl Queen Unit Well No. 163, an infill well at an unorthodox location 5 feet from the north line and 1315 feet from the west line of Section 33, T19S, R35E, Lea County, New Mexico, was approved by Order No. R-3572 in Case No. 3927, on November 12, 1968.

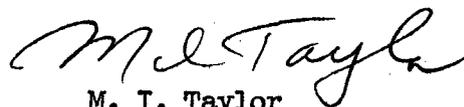


September 24, 1969

- (5) The West Pearl Queen Unit Well No. 163 was completed December 30, 1968. On potential test it flowed 240 BOPD and 216 BWPD and as a result of a 24-hour pumping test August 21, 1969, the well produced 124 BOPD and 411 BWPD. The well has produced approximately 55,000 barrels of oil since its completion.
- (6) West Pearl Queen Unit Wells No. 164, an infill producing well at an unorthodox location 1325 feet from the north line and 2635 feet from the west line of Section 32, and No. 165, an infill producing well at an unorthodox location 1420 feet from the south line and 1325 feet from the west line of Section 29, both in T19S, R35E, Lea County, New Mexico, were approved by Order No. R-2729-A in Case No. 4114, on May 5, 1969.
- (7) The West Pearl Queen Unit Well No. 164 was completed June 24, 1969. On potential test it pumped 311 BOPD and 123 BWPD and on 24-hour pumping test August 31, 1969, the well produced 132 BOPD and 153 BWPD. It has produced approximately 15,000 barrels of oil since its completion.
- (8) The West Pearl Queen Unit Well No. 165 was completed June 30, 1969. On potential test it pumped 317 BOPD and 143 BWPD and on 24-hour pumping test August 31, 1969, the well produced 108 BOPD and 48 BWPD. It has produced approximately 11,000 barrels of oil since its completion.
- (9) Amendment of Commission Order No. R-2729 to allow for administrative approval of additional infill wells in the West Pearl Queen Unit, provided the application has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, was approved by Order No. R-2729-A in Case No. 4114, on May 5, 1969.
- (10) Applicant believes the drilling of Wells No. 166, 167 and 168 at locations approximately midway between two producing wells and two injection wells will result in the recovery of oil which will not be produced by existing wells.
- (11) Wells No. 166, 167 and 168 will be drilled no closer than 990 feet to the outer boundary of the West Pearl Queen Unit nor closer than 5 feet to any quarter-quarter section boundary; and all offsetting wells and lands are entirely within the confines of the West Pearl Queen Unit.
- (12) The West Pearl Queen Unit Waterflood Project daily allowable for September, 1969 is 3967 BOPD and the current production is approximately 1500 BOPD.
- (13) The Waterflood Project allowable will be in accordance with Statewide Rule 701 E-3.
- (14) This application is in the interest of conservation and the prevention of waste.

Respectfully submitted,

GULF OIL CORPORATION



M. I. Taylor

Attachment
DGB:erscc: New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico 88240All Working Interest Owners
West Pearl Queen Unit

