

Gulf Energy and Minerals Company

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

October 6, 1976

RECEIVED
OCT 12 1976
U.S.
OIL CONSERVATION COMM.
Santa Fe
P. O. Box 670
Hobbs, New Mexico 88240

Re: Application for Administrative
Approval to Drill West Pearl
Queen Unit No. 169 in an
Unorthodox Location

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

Attention: Mr. Joe D. Ramey

Gentlemen:

NSL - 799

Rules 5#6 R-2729-A

*See upon receipt of approval from Artesia
Pearl - Queen Pool*

Your administrative approval is requested to drill West Pearl Queen Unit Well No. 169 to be located 1305' from the South Line and 2565' from the West Line of Section 28-T19S-R35E, Lea County, New Mexico, as shown on the attached plat. Administrative procedure for the drilling of wells at unorthodox locations such as this, was established by Order No. R2729A issued on May 5, 1969.

The following facts are also submitted in support of this application:

- (1) The West Pearl Queen Unit was approved by Order No. R-2728 in Case No. 3065 on June 18, 1964.
- (2) The West Pearl Queen Unit Waterflood project was approved by Order No. R-2729 in Case No. 3066 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) Wells No. 163, 164, 165, 166, 167 and 168 have been drilled in similar unorthodox locations and have produced in excess of 295,000 barrels of oil.
- (5) Core and Drill Stem Test data will be taken during the drilling of the well and used to evaluate future enhanced recovery prospects of the formation.
- (6) Applicant believes that the oil to be produced from this well cannot be recovered by other wells in the Unit.
- (7) The location of this well will be no closer than 990 feet to the Unit boundary nor closer than five feet to any quarter-quarter section boundary; and all off-setting wells and lands are entirely within the confines of the West Pearl Queen Unit.



A DIVISION OF GULF OIL CORPORATION

October 6, 1976

- (8) The maximum daily waterflood project allowable for the 34 active Unit wells would be 2720 BOPD and the current daily production is only 165 BOPD.
- (9) This application is in the interest of conservation and prevention of waste.

Yours very truly,

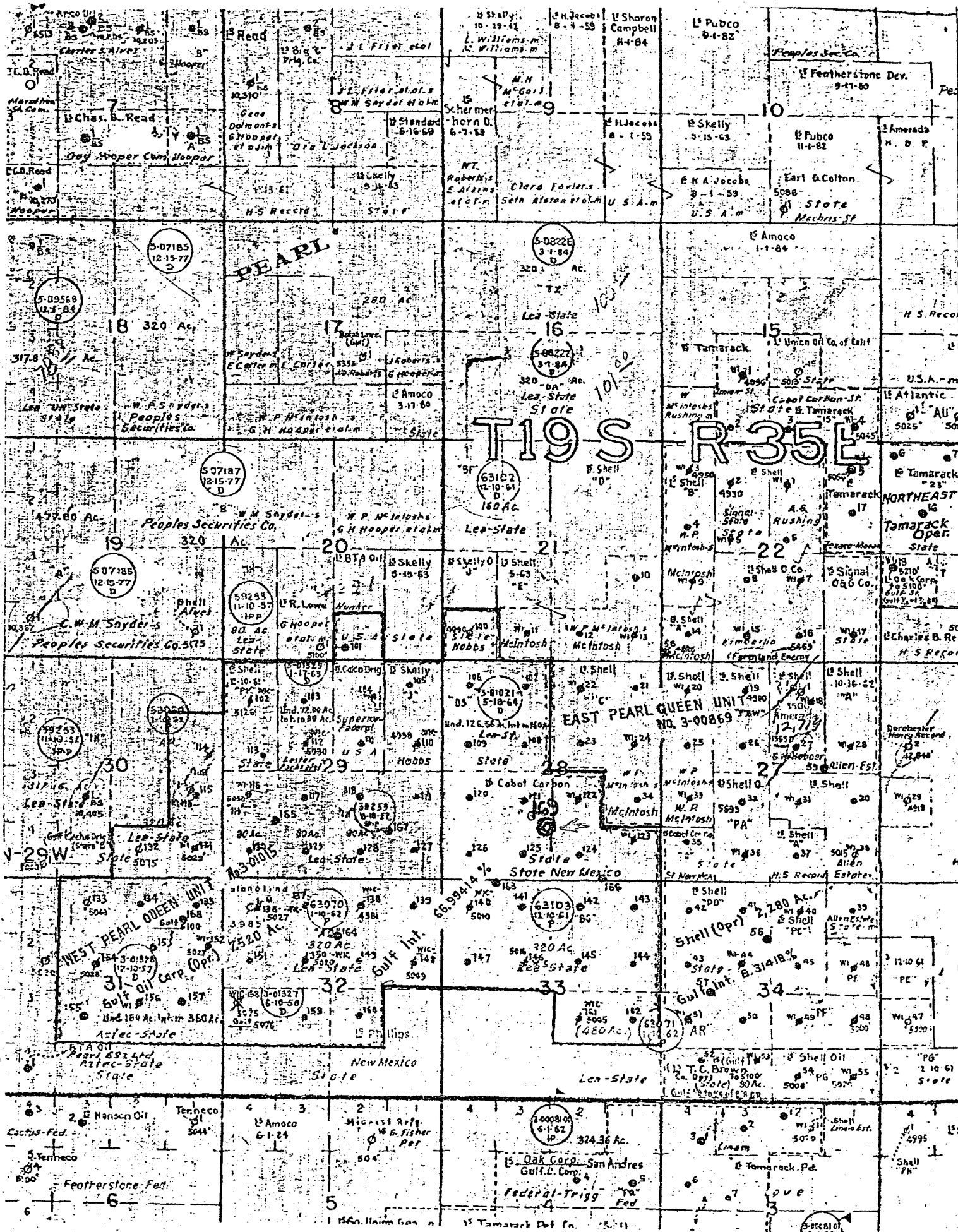


C. D. BORLAND

Attachments
DTB/dch

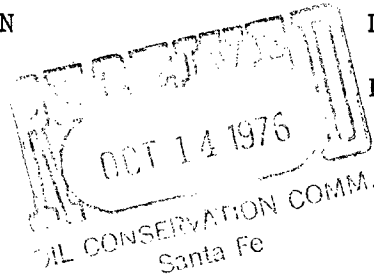
cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, NM 88240

All Working Interest Owners
West Pearl Queen Unit



OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO



DATE Oct. 12, 1976

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated _____
for the Gulf Oil Corp. West Pearl Queen Unit #169-N 28-19-35
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,