Gulf Oil Exploration and Production Company

R. C. Anderson RODUCTION MANAGER July 29, 1983

P. O. Box 670 Hobbs NM 88240

HOBBS AREA

Mr. R. L. Stamets

Application for Non-Standard Location Gallo Canyon Federal State Deep #1-1524' FNL & 1874' FEL, Sec 26-T23N-R6W Sandoval County, New Mexico

NS L O' F ts Without 104 F ts Rule No offsite

OIL CONSERVATION DIVISION SANTA FE

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

Technical Support Chief State of New Mexico

Dear Sir:

Gulf Oil Corporation requests your administrative approval for the non-standard location described above for our Gallo Canyon Federal State Deep #1, a proposed 12,500' In support of this application, the following information is submitted herewith:

- A plat showing the location of the well.
- A plat fully identifying the topography of the area (Exhibit A)
- (3) A plat showing unitized area (Exhibit B)

This application is necessary pursuant to moving the location northwesterly, at the request of Mr. Jack Spears of the BLM, due to topographical conditions. This prospect is located within a Federal unit, and there are no other operators in the unitized interval in adjoining tracts.

Should you require additional information, please advise.

Yours truly,

FRM/jr

Attachments

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A DIVISION OF GULF OIL CORPORATION

P. O. BOX 2088 Form C-102 ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501 All distances must be from the outer boundaries of the Section Operator Lease Well No. GULF OIL CORPORATION GALLO CANYON FEDERAL STATE DEEP UNIT WELL #1 Unil Letter Section Township County G 26 SANDOVAL 23 NORTH 6 WEST Actual Footage Location of Well: 1524 1874 NORTH feet from the line and feet from the EAST Ground Level Elev. Producing Formation Pool Dedicated Acreage: 6959 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Yes If answer is "yes," type of consolidation If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of My knowledge and belief. OIL CONSERVATION DIVISION SANTA FE 1874' PRODUCTION MGR. GULF OIL CORP. 26 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or y supervision, and that the same ional Engineer Michael Daly Certificate No.

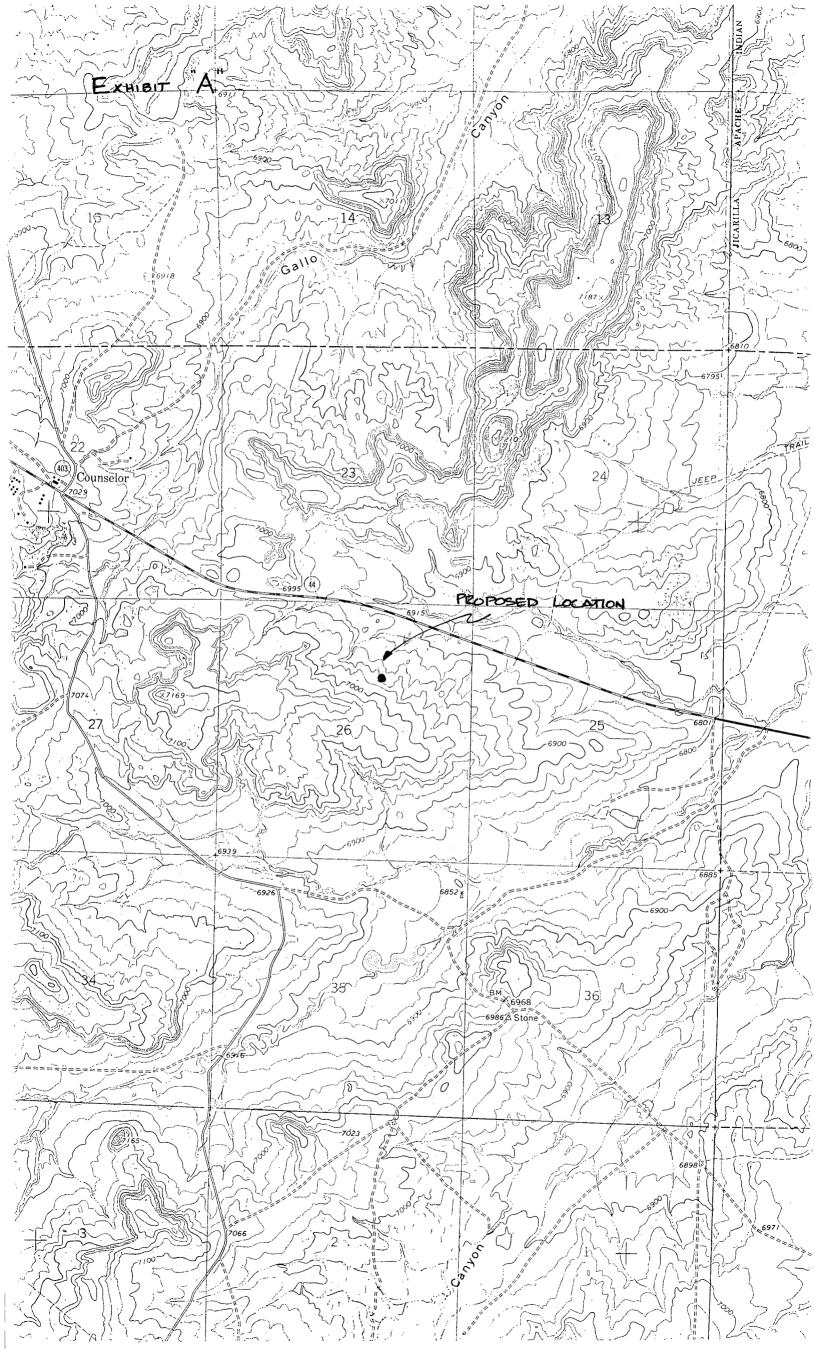


EXHIBIT "B" Gallo Canyon Federal State Deep Unit

Sandoval County, New Mexico

	22	Ls. Gulf Oil Corp. H B P NM 17009 23	24
-23 -23 -23	Ls. Gulf Oil Corp. 11-1-92 NM 53.9.28 -1-66 27 549.76 4 [3]	Abby Corp. H B P NM 3 8 584 26	25
	A&59 Corp HBP NM 38584 54	Авы, Согр ИВР Им 38584 35	Ls Gulf Oil Corp. H B P LG 729 36
1		R-6-W	

TRACT	NM-17009
TRACT 2	NM-3 8 584
TRACT 3	NM-53928
TRACT4	NM-54976
TRACT 5	16-729

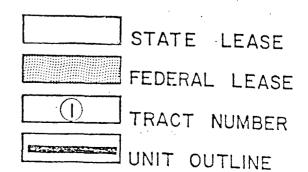


EXHIBIT "B"

SCHEDULE OF LANDS AND LEASES THE GALLO CANYON FEDERAL DEEP UNIT SANDOVAL COUNTY, NEW MEXICO

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T-23-N, R-6-W Section 36: All	*	T-23-N, R-6-W Section 27: SW/4NW/4, W/2SW/4	T-23-N, R-6-W Section 27: E/2, E/2W/2, NW/4NW/4	T-23-N, R-6-W Section 26: All Section 34: N/2 Section 35: All	Section 22: All Section 24: All Section 25: All	Description
640.00	4 FEI	120.00	520.00	1,600.00	2,560.00	Acres
IG-729 H.B.P.	FEDERAL TRACTS TO	NM-54976 3-1-88	NM-53928 11-1-92	NM-36584 H.B.P.	NM-17009 H.B.₽.	Serial No. and Expiration Date
12.5% State of New Mexico	TOTALING 4,800.00	Schedule B U.S.A.	12.5% U.S.A.	12.5% "U.S.A.	12.5% U.S.A.	Basic Royalty
Gulf Oil Corporation	ACRES OR 88.24% OF UN	Gulf Oil Corporation 100%	Gulf Oil Corporation 100%	Abby Corporation 100%	Gulf Oil Corporation 100%	Lessee of Record & Percentage
None	UNIT AREA	None	Strata Properties 5%	Scott A. Harris 1.6667% Judy Harris 1.6667% Abby H. Yates 1.6666%	Marshall R. Perkins and Cynthia Perkins 4%	Overriding Royalty and Percentage
Gulf Oil Corporation 100%		Gulf Oil Corporation 100%	Gulf Oil Corporation 100%	Abby Corporation 100%	Gulf Oil Corporation 100%	Working Interest and Percentage

Page 2 of EXHIBIT "B"

SCHEDULE OF LANDS AND LEASES
THE GALLO CANYON FEDERAL DEEP UNIT
SANDOVAL COUNTY, NEW MEXICO

Recapitulation

State Lands	rederal Lands

Total

640.00 Acres 5,440.00 Acres 4,800.00 Acres

88.24% of Unit Area 11.76% of Unit Area 100.00% of Unit Area



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD AZTEC. NEW MEXICO 87410 (505) 334-6178

BOX 2088 SANTA FE, NEW MEXICO 87501 AUG 16 1983
DATE 8-10-83 OIL CONSERVATION DIVISION
RE: Proposed MC SANTA FE Proposed DHC Proposed NSL Proposed SWD Proposed WFX Proposed PMX
Gentlemen:
I have examined the application dated $8-8-83$
for the Gulf Oil Expl. + Prod. Co. Gullo Conven Fed. State Decp# 1 G-26-23N- Operator Lease and Well No. Unit, S-T-R
and my recommendations are as follows:
Yours truly,
Jeff a. Comota.