

copy - Dec - 14/10/56



PETROLEUM AND ITS PRODUCTS

NSP-246

GULF OIL CORPORATION

Dec 31/1956

B. E. THOMPSON
DIVISION PRODUCTION MANAGER

P. O. DRAWER 1290 · FORT WORTH 1, TEXAS

FORT WORTH
PRODUCTION DIVISION

February 10, 1956

Re: Application for 160-Acre Non-Standard Gas Proration Unit Comprising the NE/4 Section 7, T-19-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 160-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the NE/4 of Section 7, T-19-S, R-37-E, Lea County, New Mexico, and in support thereof states the following facts:

- (1) Gulf Oil Corporation is owner and operator of an oil and gas lease known as its Elbert Shipp "B" Lease, a portion of which is located in the NE/4 of Section 7, T-19-S, R-37-E, Lea County, New Mexico.
- (2) On December 19, 1955, Gulf filed an application to dually complete the Elbert Shipp "B" Well No. 3 in the Monument Oil Pool from 3,900 feet to 4,050 feet and in the Eumont Gas Pool from 3,450 feet to 3,700 feet. A production packer is to be set at approximately 3,850 feet. The subject well is located 660 feet from the East Line and 1,980 feet from the North Line of Section 7, T-19-S, R-37-E, Lea County, New Mexico. The applicant proposes to use this as the unit well.
- (3) Prior to the application to dually complete the Elbert Shipp #3, the Oil Conservation Commission has authorized by Order R-717, a 320-acre non-standard proration unit comprising the NE/4 of Section 7 and the NW/4 of Section 8, T-19-S, R-37-E. The Elbert Shipp "B" Well #2 was designated as the unit well. This non-standard proration unit was cancelled by the Commission on January 29, 1956, at Gulf's request.

all intended

DC-266
OK

February 10, 1956

- (4) 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 5,280 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 1,500 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 proration unit.

Respectfully submitted,

GULF OIL CORPORATION

By: *B. E. Thompson*
Division Production Manager

cc: Registered Mail - Return Receipt Requested:

✓ Shell Oil Company
Box 1957
Hobbs, New Mexico

✓ Continental Oil Company
Box 427
Hobbs, New Mexico

✓ John Kelly
Box 5671
Roswell, New Mexico

cc: Oil Conservation Commission
Box 2045
Hobbs, New Mexico

STATE OF TEXAS |

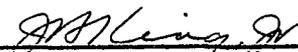
COUNTY OF TARRANT |

BEFORE ME, the undersigned authority, on this day personally appeared J. R. Sherman, 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, to the best of his knowledge, the statements contained in the foregoing Application of Gulf Oil Corporation, dated February 10, 1956, are true and correct and that copies of such Application were duly deposited on February 10, 1956, 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.



J. R. Sherman

SUBSCRIBED AND SWORN to before me by the said J. R. Sherman this 10th day of February, 1956, to certify which witness my hand and seal of office.

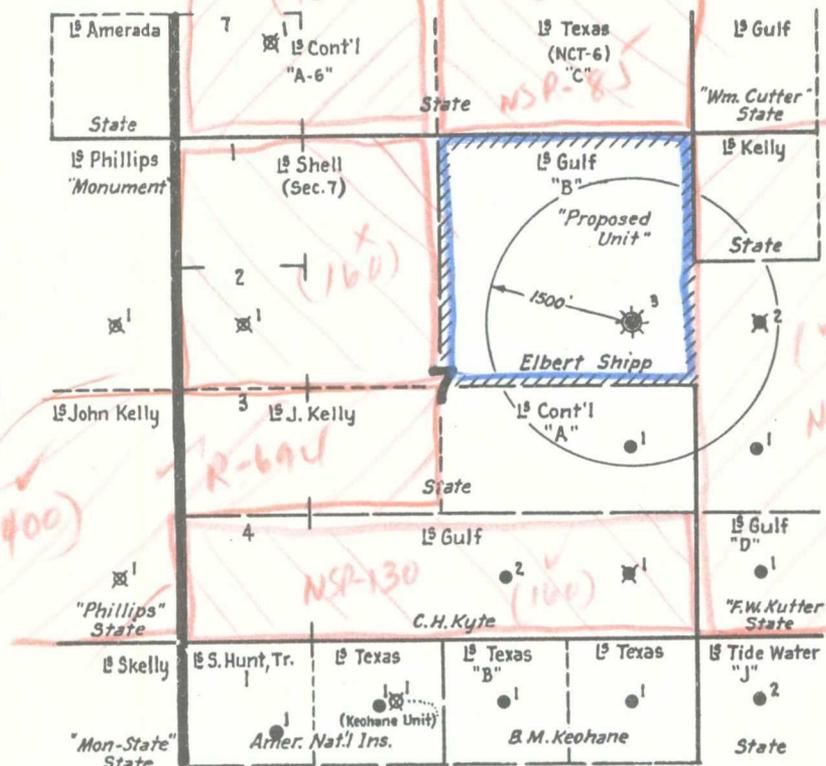


J. H. King, Jr.
Notary Public in and for Tarrant
County, Texas

My Commission Expires:
June 1, 1957

R 37 E

T 19 S



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

Plat Accompanying Application for
 160-Acre Non-Standard Gas Unit
 (Eumont Gas Pool)

Gulf - Elbert Shipp Lease - 160 acres