

9m - 892
NSP - 10-25-72
Rule 5(c) 9R-1670, 10-25-72

SE
SUMMIT ENERGY, INC.

PAUL G. WHITE
Vice President - Production

112 NORTH FIRST STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE
748-9507 AC 505

September 22, 1972

SEP 22 1972

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

Re: Application of Summit Energy, Inc.,
for Administrative Approval of a
Nonstandard 80-acre Gas Proration
Unit, Blinebry Gas Pool, Lea County,
New Mexico

Gentlemen:

Summit Energy, Inc., respectfully requests administrative approval of an 80-acre nonstandard Blinebry Gas proration unit, covering the Unit N (40 acres) and Unit O (40 acres) in Section 4-T21S-R37E, Lea County, New Mexico.

The 80-acre unit will be dedicated to the Gulf Hill No. 3 well located in Unit O of Section 4-T21S-R37E, Lea County, New Mexico. The Gulf Hill No. 2 well in Unit N will be shut-in.

In support of this application the following facts are submitted:

- (1) Applicants Gulf Hill No. 2 well located Unit N, Section 4-T21S-R37E, Lea County and Gulf Hill No. 3 located Unit O, Section 4-T21S-R37E, Lea County, were reclassified

SUMMIT ENERGY, INC.

Oil Conservation Commission
September 22, 1972
Page 2

from Blinebry Oil wells to Blinebry Gas wells by the New Mexico Oil Conservation Commission on September 19, 1972. Copy of letter attached.

- (2) The subject wells Gulf Hill 2 and Gulf Hill 3 produce from the Blinebry Zone.
- (3) The Gulf Hill 2 and the Gulf Hill 3 are each on a 40 acre tract.
- (4) The proposed 80-acre nonstandard unit consists of contiguous quarter-quarter sections.
- (5) The nonstandard gas proration unit lies wholly within a single governmental long section.
- (6) The entire nonstandard gas proration unit is productive in the Blinebry Gas Pool.
- (7) All operators owning interests outside the nonstandard gas proration unit but in the same section in which the nonstandard gas proration unit is situated have been furnished a copy of this application.
- (8) All operators owning interests in acreage offsetting the nonstandard proration unit have also been furnished a copy of this application.
- (9) The Gulf Hill No. 3 well will produce the 80-acre nonstandard gas proration unit allowable and the No. 2 well will be shut-in.

Respectfully submitted,

SUMMIT ENERGY, INC.



Paul G. White
Vice President-Production

SUMMIT ENERGY, INC.

Oil Conservation Commission
September 22, 1972
Page 3

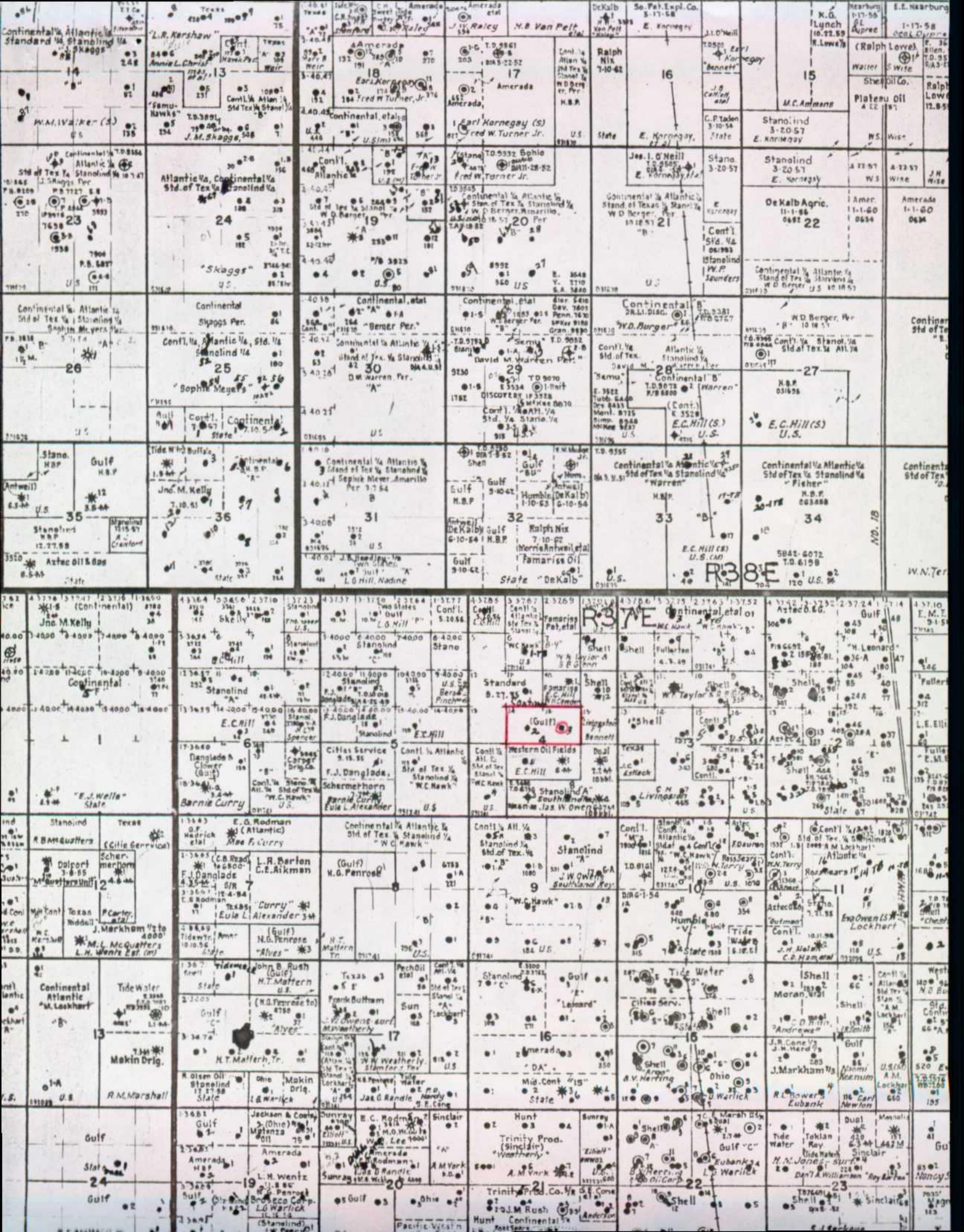
cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

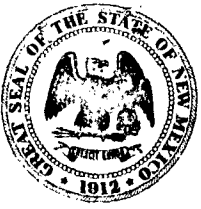
Continental Oil Co.
P. O. Box 460
Hobbs, New Mexico 88240

Shell Oil Co.
P. O. Box 1509
Midland, Texas 79701

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

Amoco Production Co.
Box 68
Hobbs, New Mexico 88240





OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 1980 - HOBBS

September 19, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Summit Energy, Inc.
112 N. First Street
Artesia, New Mexico 88210

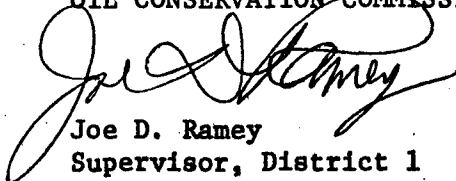
Gentlemen:

Effective October 1, 1972, your Gulf Hill No. 2 in Unit N and No. 3 in Unit O, both in Section 4, T-21-S, R-37-E, will be reclassified as gas wells in the Blinebry Gas Pool due to their respective gas-oil ratios.

Please advise this office when you have complied with the provisions of Commission Order No. R-1670 pertaining to the Blinebry Gas Pool so that a gas allowable can be assigned.

Yours very truly,

OIL CONSERVATION COMMISSION


Joe D. Ramey
Supervisor, District 1

mc