

CASE 7021: GULF OIL CORPORATION FOR
SIMULTANEOUS DEDICATION, LEA COUNTY, NEW
MEXICO

CASE NO.

7021

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE NEW MEXICO 87501
(305) 827-2434

October 23, 1980

Mr. William V. Kastler
Gulf Oil Corporation
P. O. Box 1150
Midland, Texas 79702

Re: CASE NO. 7021
ORDER NO. R-6482

Applicant:

Gulf Oil Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD _____ x
Artesia OCD _____ x
Aztec OCD _____

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7021
Order No. R-6482

APPLICATION OF GULF OIL CORPORATION
FOR SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Gulf Oil Corporation, seeks approval for the simultaneous dedication of a previously approved 477-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 19, Township 19 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant further seeks to simultaneously dedicate its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of said Section 19.
- (4) That the above-described wells will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed simultaneous dedication.

-2-

Case No. 7021
Order No. R-6482

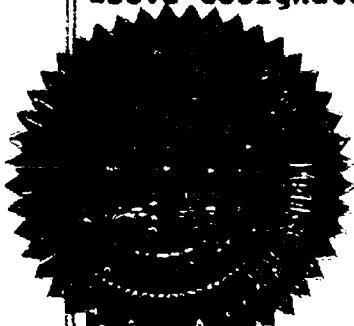
(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Gulf Oil Corporation is hereby authorized to simultaneously dedicate its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of Section 19, Township 19 South, Range 37 East, NMPH, Eumont Gas Pool, Lea County, New Mexico, to a previously approved 477-acre non-standard gas proration unit consisting of the N/2 and SE/4 of said Section 19.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

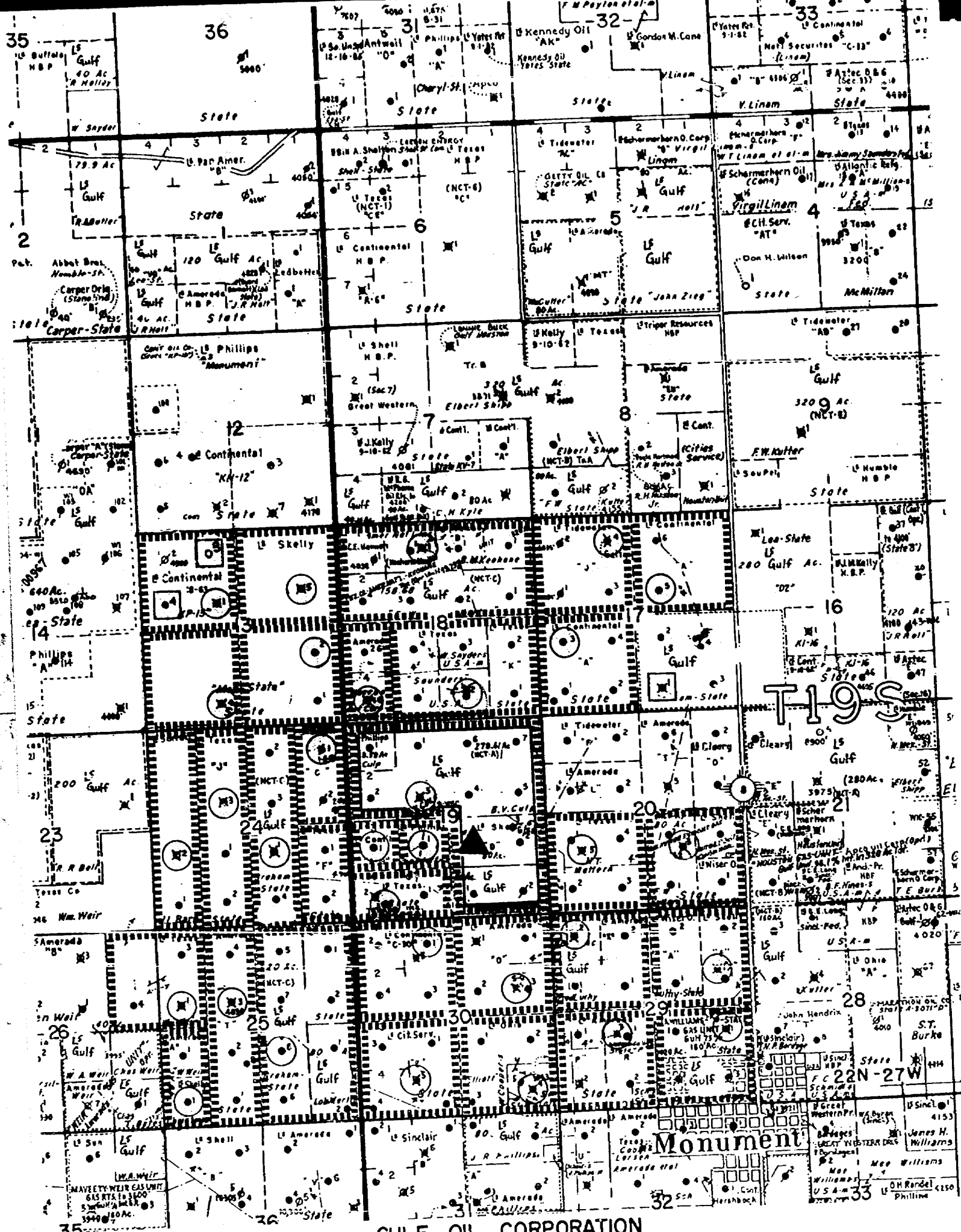


SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

rd/



GULF OIL CORPORATION
Southwest Division Midland, Texas

B.V. CULP (NCT-A) LEASE
EUMONT GAS POOL
Lea County, New Mexico
Scale: 1" = 3000'




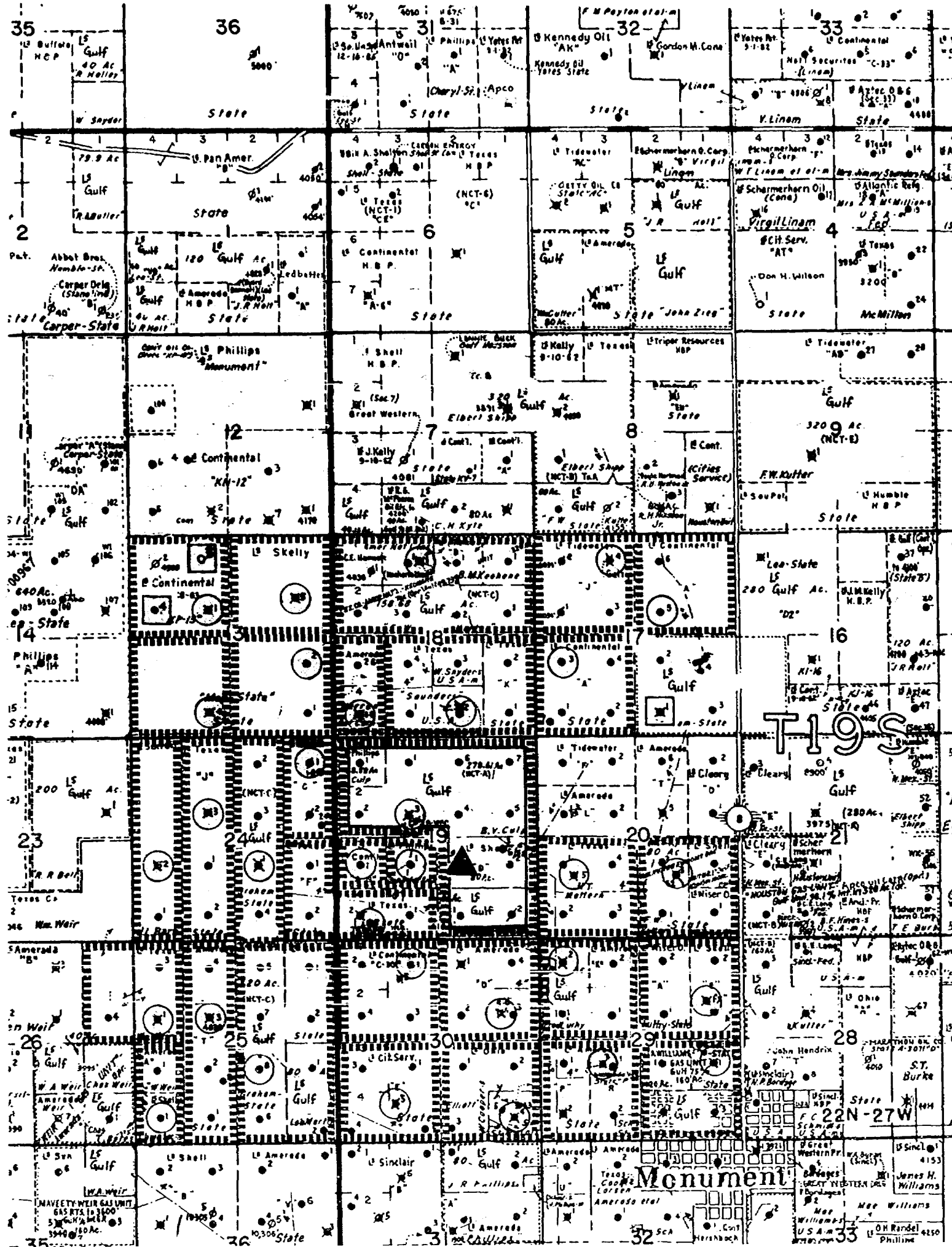
-  Eumont Gas Completion
-  Proposed Gas Completion
-  Eumont Oil Completion

EXHIBIT I
CASE NO. _____
9-17-80

7021
Gulf Oil
9-17-80



GULF OIL CORPORATION




Southwest Division

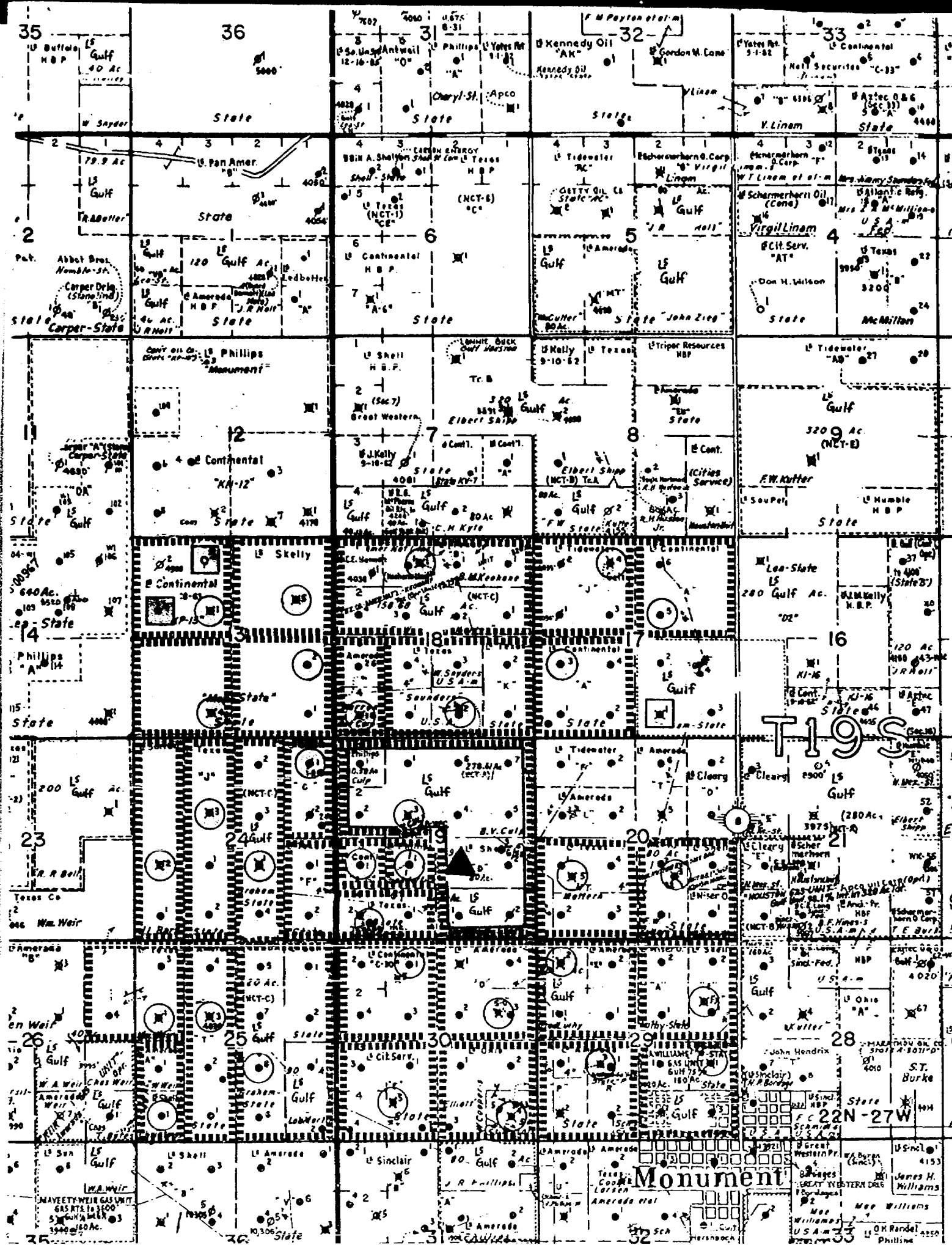
Midland, Texas

B. V. CULP (NCT-A) LEASE
EUMONT GAS POOL
Lea County, New Mexico
Scale: 1" = 3000'

EXHIBIT 1
CASE NO.
9-17-80

7021
Gulf Oil
9-17-80.

-  Eumont Gas Completion
 Proposed Gas Completion
 Eumont Oil Completion



GULF OIL CORPORATION

Southwest Division

Midland, Texas

B. V. CULP (NCT-A) LEASE
EUMONT GAS POOL
Leo County, New Mexico
Scale: 1" = 3000'

CHC

7021
Gulf Oil
9-17-80

EXHIBIT I
CASE NO.
9-17-80

Eumont Gas Completion

Proposed Gas Completion

Eumont Oil Completion

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
17 September 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Gulf Oil Corporation
for simultaneous dedication, Lea
County, New Mexico.

CASE
7021

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William V. Kastler, Esq.
The Gulf Companies
P. O. Box 1150
Midland, Texas 79702

*Hearing Register
in this
Transcript*

SALLY W. BOYD, C.S.R.

Rt. 1 Box 191-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner

Santa Fe, NEW MEXICOHearing Date September 17, 1980Time: 9 a.m.

NAME	REPRESENTING	LOCATION
H.R. Keedrich	El Paso Natural Gas Co	El Paso
William J. Fall	Campbell & Black, T.A.	Santa Fe
A.D. James	Southland Royalty Co.	Midland
Jack Barker	Southland Royalty Co.	Midland
Richard W. Little	Southland Royalty Co.	"
James D. James	Southland Royalty Co.	Midland
McMurray	Permian Enterprises Ltd Co	Midland, Tex.
Bethel Strawser	Gulf Oil Corp	Midland
Bill Easter	Gulf	Houston
Bart Giles	Amoco	Denver
Gary Stephens	U.S. Geological Survey	Albuquerque
Bob Huber	Capital Observer	Santa Fe
Sarah Poveda	Capital Observer	Santa Fe
Richard Eichorn	Amoco Production Co.	Midland
J. William Freeman	Amoco Production Co.	Midland
Gordon D Ryan	Amoco Prod Co.	Denver
NEIL RUCKER	ANADARKO PRODUCTION CO	Midland

NEW MEXICO OIL CONSERVATION COMMISSION

_____, NEW MEXICO

Hearing Date _____ Time: _____

NAME	REPRESENTING	LOCATION
Steve King	Tanner Oil Co	San Antonio
W T Kellerman	Kellerman & Kellerman	Santa Fe
Chad DeLeon	Losee Carson DeLeon	Albuquerque
Jack & McLean	Bassett & Bunker	Astoria NM
Joe Carson	Losee Carson DeLeon	Albuquerque NM

I N D E X

BETHEL S. STRAWSER

Direct Examination by Mr. Kastler

3

E X H I B I T S

Applicant Exhibit One, Plat

4

Applicant Exhibit Two, Tabulation

6

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: We'll call next Case 7021.

2 MR. PADILLA: Application of Gulf Oil
3 Corporation for sumultaneous dedication, Lea County, New
4 Mexico.

5 MR. STAMETS: Call for appearances in
6 this case.

7 MR. KASTLER: Mr. Examiner, I'm Bill
8 Kastler, representing Gulf Oil Corporation, and I'm from
9 Houston, and my witness here is Ms. Bethel Strawser.

10
11 (Witness sworn.)

12
13 BETHEL STRAWSER

14 being called as a witness and having been duly sworn upon her
15 oath, testified as follows, to-wit:

16
17 DIRECT EXAMINATION

18 BY MR. KASTLER:

19 Q Will you please state your name and
20 position with Gulf Oil Corporation?

21 A. My name is Bethel Strawser, a petroleum
22 engineer for Gulf Oil Corporation, out of Midland.

23 Q Have you previously been qualified to
24 testify before the New Mexico Oil Conservation Division?

25 A. Yes, sir.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 Q Are you familiar with Gulf's application
2 in Case Number 7021?

3 A Yes, sir.

4 MR. KASTLER: Are the witness' qualifi-
5 cations acceptable?

6 MR. STAMETS: They are.

7 Q Ms. Strawser, what is Gulf seeking in
8 this application?

9 A Gulf is seeking authority, first, to
10 drill and complete our B. V. Culp (NCT-A) Well No. 9 in the
11 Eumont Pool. This will be an unorthodox location 2040 feet
12 from the south line and 1980 feet from the east line. This
13 will be Unit J of Section 19, Township 19 South, Range 37
14 East.

15 We also seek authority to simultaneously
16 dedicate the previously approved 477-acre nonstandard pro-
17 ration unit. That comprises the north half and the southeast
18 quarter of Section 19, and we would dedicate that to the
19 Wells Nos. 3 and No. 9.

20 Thirdly, we seek authority to produce
21 the unit allowable in any proportion between these two wells.

22 Q Do you have an exhibit which shows the
23 B. V. Culp (NCT-A) proration unit?

24 A Yes, sir, our Exhibit Number One is a
25 plat of the area surrounding our B. V. Culp NCT-A proration

SALLY W. BOYD, C.S.R.

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1 unit. That proration unit is outlined in red and the acreage
2 is presently dedicated to the Well No. 3 in Unit F of Section
3 19.

4 That 477-acre proration unit was approved
5 as a nonstandard unit under Order No. R-1487 in 1959.

6 The plat also shows the Eumont completions
7 in the immediate vicinity of our B. V. Culp.

8 Q What is the current status of the B. V.
9 Culf Well No. 3?

10 A That well is presently completed in the
11 Eumont Gas Pool over the interval 3423 to 3570. It is still
12 producing as a dual with oil from the Eumont -- Eunice-Monu-
13 ment Pool.

14 Q What is the current producing capacity
15 of Well No. 3 in the Eumont Gas Pool?

16 A In the Eumont the gas well is currently
17 classified as marginal. June production averaged 959 Mcf
18 per day. When you compare that against the top allowable for
19 that unit of 2210, that only comprises 43 percent of the top
20 allowable.

21 Q Now how is your Well No. 9 completed?

22 A The Well No. 9 was perforated from 3124
23 to 3342 and it was acidized. You may note here that that
24 is a slightly different interval still, of course, within
25 the Eumont Gas Pool; different interval from the Well No. 3.

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1 It is capable of producing approximately
2 1083 Mcf per day. We anticipate that the sum of the two wells
3 will be slightly over top allowable for this unit. It will
4 become a non-marginal unit.

5 Q Is this Well No. 9 a multiple completion?

6 A No, sir, it was drilled to the Eumont,
7 for the Eumont, and it is singly completed in the Eumont.

8 Q Is Gulf's request, in your opinion, in
9 the interest of protection of correlative rights?

10 A Yes, sir, it is. Approval of this re-
11 quest will protect our right to produce as much of the top
12 allowable as possible from our proration unit. We do not see
13 any possibility of a violation of anyone else's correlative
14 rights.

15 On our Exhibit Number Two we have pro-
16 duction and allowable data from all the gas completions in
17 the vicinity. You may note on that that only one of those
18 wells is classified as non-marginal, although several other
19 wells are producing a greater percentage of their top allow-
20 able than the Gulf well.

21 Q Has a precedent been set for a second
22 well on a non-standard gas proration unit with simultaneous
23 dedication of acreage?

24 A Yes, sir, a look at the August, 1980
25 proration schedule shows 37 such instances scattered through-

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1 out the Eumont Gas Pool. There are none in the immediate
2 vicinity of Gulf's B. V. Culf NCT-A; however, you may note,
3 looking at the map, that that proration unit, our proration
4 unit, is the largest one in the area. There are only three
5 which are larger than 160 acres, and ours is one of them.

6 The average density of Eumont gas comple-
7 tions in this vicinity in this 9-section area that I'm con-
8 sidering today, average density is approximately one well to
9 each 167 acres.

10 What Gulf would like to do is increase
11 our density from 477 acres per well to approximately 238
12 acres per well; still not as dense as the average density in
13 the area.

14 Q Will you please now in conclusion summar-
15 ize what Gulf is seeking?

16 A We're seeking, first of all, authority to
17 complete the B. V. Culf NCT-A Well No. 9 as an unorthodox
18 location in the Eumont.

19 Secondly, to simultaneously dedicate those
20 477 acres to the Well No. 3 and the Well No. 9.

21 And thirdly, to produce the unit allowable
22 in any proportion between these two wells.

23 Q Were Exhibits One and Two prepared by
24 you or under your direction?

25 A Yes, sir.

SALLY W. BOYD, C.S.R.

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1 MR. KASTLER: Mr. Examiner, this concludes
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3 time to move that Exhibits One and Two be admitted into evi-
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8 She may be excused.

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12 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 191-B
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Phone (505) 435-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 2021
heard by me on 9-17-80.
Richard L. Hunt, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
17 September 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Gulf Oil Corporation)
for simultaneous dedication, Lea)
County, New Mexico.)

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7021

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William V. Kastler, Esq.
The Gulf Companies
P. O. Box 1150
Midland, Texas 79702

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I N D E X

BETHEL S. STRAWSER

Direct Examination by Mr. Kastler 3

E X H I B I T S

Applicant Exhibit One, Plat 4

Applicant Exhibit Two, Tabulation 6

SALLY W. BOYD, C.S.R.

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3 time to move that Exhibits One and Two be admitted into evi-
4 dence at this hearing.

5 MR. STAMETS: These exhibits will be ad-
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7405

I do hereby certify that the foregoing is
a complete record of the proceedings in
the examination hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

CASE NO. 7021
EXAMINER'S HEARING
WEDNESDAY, SEPTEMBER 17, 1980

APPLICATION OF GULF OIL CORPORATION

FOR AN UNORTHODOX LOCATION AND SIMULTANEOUS DEDICATION
B. V. CULP (NCT-A) WELLS NO. 9 and 3
UNITS J AND F, RESPECTIVELY, OF SECTION 19, T19S-R37E
EUMONT GAS POOL, LEA COUNTY, NEW MEXICO

APPEARANCES:

WILLIAM V. KASTLER
BETHEL S. STRAWSER

QUALIFY WITNESS:

NAME: BETHEL STRAWSER
EMPLOYER: GULF OIL CORPORATION
LOCATION: MIDLAND, TEXAS
POSITION: PETROLEUM ENGINEER

Previous Testimony? Yes.

Q. What is Gulf seeking in this application?

A. Gulf is seeking authority to: (1) Drill and complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Pool at an unorthodox location 2040' FSL and 1980' FEL, Unit J, Section 19, T19S-R37E; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit comprising the north half and the southeast quarter of Section 19 to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between these two wells.

Q. Do you have an exhibit which shows the B. V. Culp (NCT-A) proration unit?

A. Yes, our Exhibit No. 1 is a plat which shows Gulf's 477-acre proration unit outlined in red. That acreage is presently dedicated to our B. V. Culp (NCT-A) Well No. 3 in Unit F of Section 19. The plat also shows the Eumont completions in the immediate vicinity of our lease.

Q. What is the current status of the B. V. Culp (NCT-A) Well No. 3?

A. The Well No. 3 is presently completed in the Eumont Gas Pool over the interval 3,423' - 3,570'. It is still a dual with the Eunice-Monument Pool.

Q. What is the current producing capacity of Well No. 3?

A. Well No. 3 is currently classified as marginal. June Production averaged 959 MCF per day. That is only 43% of the top allowable for 477 acres in June, which was 2,210 MCF per day.

Q. How is the Well No. 9 completed?

A. Well No. 9 was perforated from 3,124' to 3,342' and acidized. It is capable of producing approximately 1,083 MCF per day. Adding the Well No. 9 to the Well No. 3 is likely to make the unit non-marginal.

Q. Is this request in the interest of protection of correlative rights?

A. Yes, sir, it is. Approval of this request will protect Gulf's right to produce as much of the top allowable as possible from our proration unit. We do not believe there will be any violation of anyone else's correlative rights. Our Exhibit No. 2 is a tabulation of allowable and production data for the Eumont Gas Wells in the vicinity. Although only one well is non-marginal, several others are producing a higher percentage of top allowable than our B. V. Culp (NCT-A) Well No. 3.

Q. Has a precedent been set for a second well on a non-standard gas proration unit with simultaneous dedication of acreage?

A. Yes, sir, the August 1980 Proration Schedule shows 37 such instances scattered throughout the Eumont Gas Pool. There are none in the immediate vicinity of Gulf's B. V. Culp (NCT-A) proration unit, however, that unit is the largest in the area. Only two others are larger than 160 acres. The average density of Eumont gas completions in this vicinity is one well to each 167 acres. Gulf would like to increase the density on our proration unit from 477 acres per well to 238 acres per well.

Q. Will you again summarize what Gulf is asking for in this application?

A. Gulf is seeking authority to: (1) Complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Gas Pool as an unorthodox location; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between the two wells.

Q. Were these exhibits prepared by you or under your direction?

A. Yes, sir, they were.

Move that exhibits 1 and 2 be admitted into evidence of this hearing.

Exhibit 1
Case No.
Date: 9

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	STOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
<u>Section 17, T19S - R37E</u>								
Conoco, Inc.	3	L	M	1.00	14,682	14,682	70%	20,913
State "A" 17	5	G	M	1.00	3,390	3,390	16%	20,913
Getty Oil Co.	4	C	M	1.00	561	561	3%	20,913
State "J"			M	3.00	18,633	18,633	30%	62,738
Section Total								
<u>Section 18, T19S - R37E</u>								
Amerada Hess Corp	1	M	M	.50	20 R	20	0.2%	10,456
State "G"								
Texaco, Inc.	1	C	M	1.98	15,641	15,641	38%	41,407
American Nat'l Keohane Com	1	D	M	1.50	25,367	25,367	81%	31,369
Saunders State K Gas Unit			M	3.98	41,028	41,028	49%	93,232
Section Total								

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE L. A. JAMES, JES
CIL CON. VAIL. DIVISION

UNIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
3	L	M	1.00	14,682	14,682	70%	20,913
5	G	M	1.00	3,390	3,390	16%	20,913
4	C	M	1.00	561	561	3%	20,913
		M	3.00	18,633	18,633	30%	62,738
1	M	M	.50	20 R	20	0.2%	10,456
1	C	M	1.98	15,641	15,641	38%	41,407
1	D	M	1.50	25,367	25,367	81%	31,369
		M	3.98	41,028	41,028	49%	83,232

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BUREAU OF LAND MANAGEMENT
OIL CONSERVATION DIVISION

CASE NO. 7021
Submitted by Gulf Oil
Hearing Date 9-17-80

Exhibit
Case
Date:

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE	
<u>Section 19, T19S - R37E</u>									
Conoco, Inc. State "AC"	1	L	M	.25	1,127	1,127	22%	5,228	
Gulf Oil Corp. B. V. Culp (NCT-A) Com	3	F	M	2.98	28,778	28,778	46%	62,319	
Phillips Petroleum Land Office	1	K	M	.25	2,674	2,674	51%	5,228	
Texaco, Inc. New Mexico G State Com	3	M	M	1.00	3,756	3,756	18%	20,913	(.50 Sec
Section Total			M	4.48	36,335	36,335	39%	93,688	
<u>Section 20, T19S - R37E</u>									
Gulf Oil Corp. F. W. Kutter (NCT-A) Com	3	J	M	1.00	12,490	12,490	60%	20,913	
Texaco, Inc. H. T. Mattern	5	L	M	1.00	6,346	6,346	30%	20,913	
Section Total			M	2.00	18,836	18,836	45%	41,825	

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE THE NEW MEXICO
OIL COMMISSION

CASE NO. 7021
Submitted by Gulf Oil
Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
1	L	M	.25	1,127	1,127	22%	5,228
3	F	M	2.98	28,778	28,778	46%	62,319
1	K	M	.25	2,674	2,674	51%	5,228
3	M	M	1.00	3,756	3,756	18%	20,913
		M	4.48	36,335	36,335	39%	93,688
3	J	M	1.00	12,490	12,490	60%	20,913
5	L	M	1.00	6,346	6,346	30%	20,913
		M	2.00	18,836	18,836	45%	41,825

(.50 of AF. in
Sec. 24)

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

NELOUT & ASSOCIATES
CIVIL ENGINEERS & SURVEYORS

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit
Case
Date

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	* TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
<u>Section 29, T19S - R37E</u>								
Amerada Hess Corp. State "p"	3	K	M	1.00	4,251	4,251	20%	20,913
Getty Oil Co. Mexico X Com	1	H	M	1.00	7,158	7,158	34%	20,913
Gulf Oil Corp. Fred Luthy Com	2	D	M	1.00	11,295	11,295	54%	29,913
Shell Oil Co. State "F" Com	1	I	M	1.00	690	690	3%	20,913
Section Total			M	4.00	23,394	23,394	28%	83,650
<u>Section 30, T19S - R37E</u>								
Conoco, Inc. State "AC"	4	C	M	.98	5,425	5,425	26%	20,495
Amerada Hess Corp. State "D"	5	H	M	1.00			0%	20,913
Cities Service Co. State "E"	5	N	M	.98	1,253	1,253	6%	20,495
Marathon Oil Co. Elliott State	4	P	M	1.00	7,670	7,670	37%	20,913
Section Total			M	3.96	14,348	14,348	17%	82,814

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

SECTOR 1
CIRCUIT 1

7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
3	K	M	1.00	4,251	4,251	20%	20,913
1	H	M	1.00	7,158	7,158	34%	20,913
2	D	M	1.00	11,295	11,295	54%	29,913
1	I	M	1.00	690	690	3%	20,913
		M	4.00	23,394	23,394	28%	83,650
4	C	M	.98	5,425	5,425	26%	20,495
5	H	M	1.00			0%	20,913
5	N	M	.98	1,253	1,253	6%	20,495
4	P	M	1.00	7,670	7,670	37%	20,913
		M	3.96	14,348	14,348	17%	82,814

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE U.S. DISTRICT COURT
CITY OF ALBUQUERQUE, NEW MEXICO

IN RE NO. 2

CASE NO. 7021

Submitted by 9-17-80

Hearing Date Gulf Oil

Exhibit No. _____
Case No. 7021
Date: 9-17-

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
<u>Section 13, T19S - R36E</u>								
Getty Oil Co.								
Monstate	2	I	M	1.00	4,676	4,676	22%	20,913
	4	N	M	1.00	20,908	20,908	99.9%	20,913
	5	H	M	1.00	15,059	15,059	72%	20,913
Conoco, Inc.								
State "KP" 13	1	F	M	1.00	7,868	7,868	38%	20,913
Section Total			M	4.00	48,511	48,511	58%	83,650
<u>Section 24, T19S - R36E</u>								
Gulf Oil Corp.								
Graham State NCT-C	1	J	M	1.00	886	886	4%	20,913
Sun Oil Co.								
J. L. Barr	2	L	M	1.00	3,446	3,446	16%	20,913
Texaco, Inc.								
New Mexico J State	3	F	M	1.00	16,263	16,263	78%	20,913
Shell Oil Co.								
State C	1	A	N	0.50	35,044	10,456	100%	10,456
Section Total			M	3.50	55,639	31,051	42%	73,194

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE DA & AREA JUDGES
OIL CONTROL DIVISION

Case No. 7021

Submitted by 9-17-80

Hearing Date Gulf Oil

Exhibit No. 2

Case No. 7021

Date: 9-17-80

WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
2	I	M	1.00	4,676	4,676	22%	20,913
4	N	M	1.00	20,908	20,908	99.9%	20,913
5	H	M	1.00	15,059	15,059	72%	20,913
1	F	M	1.00	7,868	7,868	38%	20,913
		M	4.00	48,511	48,511	58%	83,650
1	J	M	1.00	886	886	4%	20,913
2	L	M	1.00	3,446	3,446	16%	20,913
3	F	M	1.00	16,263	16,263	78%	20,913
1	A	N	0.50	35,044	10,456	100%	10,456
		M	3.50	55,639	31,051	42%	73,194

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE THE ENGINEERS
OIL COMMISSION DIVISION

Case No. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 25, T19S - R36E								
Getty Oil Co.								
A. L. Christmas	1	M	M	.50	315	315	3%	10,456
Amerada Hess Corp.								
State "T"	3	F	M	1.00	10,048	10,048	48%	20,913
Gulf Oil Corp.								
Graham State NCT-C Com	8	J	M	2.00	24,976	24,976	60%	41,825
Texaco, Inc.								
W. M. Weir	1	E	M	1.00	515 R	515	2%	20,913
Section Total			M	4.50	35,854	35,854	38%	94,106

(.50 of AF. in
Sec. 26)

CASE NO. 7021
EXAMINER'S HEARING
WEDNESDAY, SEPTEMBER 17, 1980

APPLICATION OF GULF OIL CORPORATION

FOR AN UNORTHODOX LOCATION AND SIMULTANEOUS DEDICATION
B. V. CULP (NCT-A) WELLS NO. 9 and 3
UNITS J AND F, RESPECTIVELY, OF SECTION 19, T19S-R37E
EUMONT GAS POOL, LEA COUNTY, NEW MEXICO

APPEARANCES:

WILLIAM V. KASTLER
BETHEL S. STRAWSER

QUALIFY WITNESS:

NAME: BETHEL STRAWSER
EMPLOYER: GULF OIL CORPORATION
LOCATION: MIDLAND, TEXAS
POSITION: PETROLEUM ENGINEER

Previous Testimony? Yes.

Q. What is Gulf seeking in this application?

A. Gulf is seeking authority to: (1) Drill and complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Pool at an unorthodox location 2040' FSL and 1980' FEL, Unit J, Section 19, T19S-R37E; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit comprising the north half and the southeast quarter of Section 19 to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between these two wells.

Q. Do you have an exhibit which shows the B. V. Culp (NCT-A) proration unit?

A. Yes, our Exhibit No. 1 is a plat which shows Gulf's 477-acre proration unit outlined in red. That acreage is presently dedicated to our B. V. Culp (NCT-A) Well No. 3 in Unit F of Section 19. The plat also shows the Eumont completions in the immediate vicinity of our lease.

Q. What is the current status of the B. V. Culp (NCT-A) Well No. 3?

A. The Well No. 3 is presently completed in the Eumont Gas Pool over the interval 3,423' - 3,570'. It is still a dual with the Eunice-Monument Pool.

Q. What is the current producing capacity of Well No. 3?

A. Well No. 3 is currently classified as marginal. June Production averaged 959 MCF per day. That is only 43% of the top allowable for 477 acres in June, which was 2,210 MCF per day.

Q. How is the Well No. 9 completed?

A. Well No. 9 was perforated from 3,124' to 3,342' and acidized. It is capable of producing approximately 1,083 MCF per day. Adding the Well No. 9 to the Well No. 3 is likely to make the unit non-marginal.

Q. Is this request in the interest of protection of correlative rights?

A. Yes, sir, it is. Approval of this request will protect Gulf's right to produce as much of the top allowable as possible from our proration unit. We do not believe there will be any violation of anyone else's correlative rights. Our Exhibit No. 2 is a tabulation of allowable and production data for the Eumont Gas Wells in the vicinity. Although only one well is non-marginal, several others are producing a higher percentage of top allowable than our B. V. Culp (NCT-A) Well No. 3.

Q. Has a precedent been set for a second well on a non-standard gas proration unit with simultaneous dedication of acreage?

A. Yes, sir, the August 1980 Proration Schedule shows 37 such instances scattered throughout the Eumont Gas Pool. There are none in the immediate vicinity of Gulf's B. V. Culp (NCT-A) proration unit, however, that unit is the largest in the area. Only two others are larger than 160 acres. The average density of Eumont gas completions in this vicinity is one well to each 167 acres. Gulf would like to increase the density on our proration unit from 477 acres per well to 238 acres per well.

Q. Will you again summarize what Gulf is asking for in this application?

A. Gulf is seeking authority to: (1) Complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Gas Pool as an unorthodox location; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between the two wells.

Q. Were these exhibits prepared by you or under your direction?

A. Yes, sir, they were.

Move that exhibits 1 and 2 be admitted into evidence of this hearing.

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE THE LEA COUNTY
CIVIL COMMISSION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	%TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 17, T19S - R37E								
Conoco, Inc.								
State "A" 17	3	L	M	1.00	14,682	14,682	70%	20,913
	5	G	M	1.00	3,390	3,390	16%	20,913
Getty Oil Co.								
State "J"	4	C	M	1.00	561	561	3%	20,913
Section Total			M	3.00	18,633	18,633	30%	62,738
Section 18, T19S - R37E								
Amerada Hess Corp								
State "G"	1	M	M	.50	20 R	20	0.2%	10,456
Texaco, Inc.								
American Nat'l Keohane Com	1	C	M	1.98	15,641	15,641	38%	41,407
Saunders State K Gas Unit	1	D	M	1.50	25,367	25,367	81%	31,369
Section Total			M	3.98	41,028	41,028	49%	83,232

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 19, T19S - R37E								
Conoco, Inc. State "AC"	1	L	M	.25	1,127	1,127	22%	5,228
Gulf Oil Corp. B. V. Culp (NCT-A) Com	3	F	M	2.98	28,778	28,778	46%	62,319
Phillips Petroleum Land Office	1	K	M	.25	2,674	2,674	51%	5,228
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Section Total			M	4.48	36,335	36,335	39%	93,688
Section 20, T19S - R37E								
Gulf Oil Corp. F. W. Kutter (NCT-A) Com	3	J	M	1.00	12,490	12,490	60%	20,913
Texaco, Inc. H. T. Mattern	5	L	M	1.00	6,346	6,346	30%	20,913
Section Total			M	2.00	18,836	18,836	45%	41,825

(.50 of AF. in
Sec. 24)

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER, YATES
OIL COMPLETION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 29, T19S - R37E								
Amerada Hess Corp. State "P"	3	K	M	1.00	4,251	4,251	20%	20,913
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Section Total			M	4.00	23,394	23,394	28%	83,650
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Conoco, Inc. State "AC"	4	C	M	.98	5,425	5,425	26%	20,495
Amerada Hess Corp. State "D"	5	H	M	1.00			0%	20,913
Cities Service Co. State "E"	5	N	M	.98	1,253	1,253	6%	20,495
Marathon Oil Co. Elliott State	4	P	M	1.00	7,670	7,670	37%	20,913
Section Total			M	3.96	14,348	14,348	17%	82,814

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER OF OIL
OIL CONVEYANCE
EXHIBIT NO. 2
CASE NO. 7021
Submitted by Gulf Oil
Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 13, T19S - R36E								
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State C	1	A	N	0.50	35,044	10,456	100%	10,456
Section Total			M	3.50	55,639	31,051	42%	73,194

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

DEPARTMENT OF REVENUE
OIL & GAS DIVISION
Case No. 7021
Submitted by Gulf Oil
Hearing Date 9-17-80

Exhibit No. 2
Case No. 7021
Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
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A. L. Christmas	1	M	M	.50	315	315	3%	10,456
Amerada Hess Corp.								
State "T"	3	F	M	1.00	10,048	10,048	48%	20,913
Gulf Oil Corp.								
Graham State NCT-C Com	8	J	M	2.00	24,976	24,976	60%	41,825
Texaco, Inc.								
W. M. Weir	1	E	M	1.00	515 R	515	2%	20,913
Section Total			M	4.50	35,854	35,854	38%	94,106

(.50 of AF. in
Sec. 26)

CASE NO. 7021
EXAMINER'S HEARING
WEDNESDAY, SEPTEMBER 17, 1980

APPLICATION OF GULF OIL CORPORATION

FOR AN UNORTHODOX LOCATION AND SIMULTANEOUS DEDICATION
B. V. CULP (NCT-A) WELLS NO. 9 and 3
UNITS J AND F, RESPECTIVELY, OF SECTION 19, T19S-R37E
EUMONT GAS POOL, LEA COUNTY, NEW MEXICO

APPEARANCES: WILLIAM V. KASTLER
BETHEL S. STRAWSER

QUALIFY WITNESS: NAME: BETHEL STRAWSER
EMPLOYER: GULF OIL CORPORATION
LOCATION: MIDLAND, TEXAS
POSITION: PETROLEUM ENGINEER

Previous Testimony? Yes.

Q. What is Gulf seeking in this application?

A. Gulf is seeking authority to: (1) Drill and complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Pool at an unorthodox location 2040' FSL and 1980' FEL, Unit J, Section 19, T19S-R37E; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit comprising the north half and the southeast quarter of Section 19 to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between these two wells.

Q. Do you have an exhibit which shows the B. V. Culp (NCT-A) proration unit?

A. Yes, our Exhibit No. 1 is a plat which shows Gulf's 477-acre proration unit outlined in red. That acreage is presently dedicated to our B. V. Culp (NCT-A) Well No. 3 in Unit F of Section 19. The plat also shows the Eumont completions in the immediate vicinity of our lease.

Q. What is the current status of the B. V. Culp (NCT-A) Well No. 3?

A. The Well No. 3 is presently completed in the Eumont Gas Pool over the interval 3,423' - 3,570'. It is still a dual with the Eunice-Monument Pool.

Q. What is the current producing capacity of Well No. 3?

A. Well No. 3 is currently classified as marginal. June Production averaged 959 MCF per day. That is only 43% of the top allowable for 477 acres in June, which was 2,210 MCF per day.

Q. How is the Well No. 9 completed?

A. Well No. 9 was perforated from 3,124' to 3,342' and acidized. It is capable of producing approximately 1,083 MCF per day. Adding the Well No. 9 to the Well No. 3 is likely to make the unit non-marginal.

Q. Is this request in the interest of protection of correlative rights?

A. Yes, sir, it is. Approval of this request will protect Gulf's right to produce as much of the top allowable as possible from our proration unit. We do not believe there will be any violation of anyone else's correlative rights. Our Exhibit No. 2 is a tabulation of allowable and production data for the Eumont Gas Wells in the vicinity. Although only one well is non-marginal, several others are producing a higher percentage of top allowable than our B. V. Culp (NCT-A) Well No. 3.

Q. Has a precedent been set for a second well on a non-standard gas proration unit with simultaneous dedication of acreage?

A. Yes, sir, the August 1980 Proration Schedule shows 37 such instances scattered throughout the Eumont Gas Pool. There are none in the immediate vicinity of Gulf's B. V. Culp (NCT-A) proration unit, however, that unit is the largest in the area. Only two others are larger than 160 acres. The average density of Eumont gas completions in this vicinity is one well to each 167 acres. Gulf would like to increase the density on our proration unit from 477 acres per well to 238 acres per well.

Q. Will you again summarize what Gulf is asking for in this application?

A. Gulf is seeking authority to: (1) Complete our B. V. Culp (NCT-A) Well No. 9 in the Eumont Gas Pool as an unorthodox location; (2) Simultaneously dedicate a previously approved 477-acre non-standard proration unit to Wells No. 3 and 9; (3) Produce the unit allowable in any proportion between the two wells.

Q. Were these exhibits prepared by you or under your direction?

A. Yes, sir, they were.

Move that exhibits 1 and 2 be admitted into evidence of this hearing.

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STARTS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	%TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
<u>Section 17, T19S - R37E</u>								
Conoco, Inc.								
State "A" 17	3	L	M	1.00	14,682	14,682	70%	20,913
	5	G	M	1.00	3,390	3,390	16%	20,913
Getty Oil Co.								
State "J"	4	C	M	1.00	561	561	3%	20,913
Section Total			M	3.00	18,633	18,633	30%	62,738
<u>Section 18, T19S - R37E</u>								
Amerada Hess Corp								
State "G"	1	M	M	.50	20 R	20	0.2%	10,456
Texaco, Inc.								
American Nat'l Keohane Com	1	C	M	1.98	15,641	15,641	38%	41,407
Saunders State K Gas Unit	1	D	M	1.50	25,367	25,367	81%	31,369
Section Total			M	3.98	41,028	41,028	49%	83,232

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STARTS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 2-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 19, T19S - R37E								
Conoco, Inc. State "AC"	1	L	M	.25	1,127	1,127	22%	5,228
Gulf Oil Corp. B. V. Culp (NCT-A) Com	3	F	M	2.98	28,778	28,778	46%	62,319
Phillips Petroleum Land Office	1	K	M	.25	2,674	2,674	51%	5,228
Texaco, Inc. New Mexico G State Com	3	M	M	1.00	3,756	3,756	18%	20,913
Section Total			M	4.48	36,335	36,335	39%	93,688
Section 20, T19S - R37E								
Gulf Oil Corp. F. W. Kutter (NCT-A) Com	3	J	M	1.00	12,490	12,490	60%	20,913
Texaco, Inc. H. T. Mattern	5	L	M	1.00	6,346	6,346	30%	20,913
Section Total			M	2.00	18,836	18,836	45%	41,825

(.50 of AF. in
Sec. 24)

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE LEA COUNTY JUDGES
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 29, T19S - R37E								
Amerada Hess Corp. State "P"	3	K	M	1.00	4,251	4,251	20%	20,913
Getty Oil Co. Mexico X Com	1	H	M	1.00	7,158	7,158	34%	20,913
Gulf Oil Corp. Fred Luthy Com	2	D	M	1.00	11,295	11,295	54%	29,913
Shell Oil Co. State "F" Com	1	I	M	1.00	690	690	3%	20,913
Section Total			M	4.00	23,394	23,394	28%	83,650
Section 30, T19S - R37E								
Conoco, Inc. State "AC"	4	C	M	.98	5,425	5,425	26%	20,495
Amerada Hess Corp. State "D"	5	H	M	1.00			0%	20,913
Cities Service Co. State "E"	5	N	M	.98	1,253	1,253	6%	20,495
Marathon Oil Co. Elliott State	4	P	M	1.00	7,670	7,670	37%	20,913
Section Total			M	3.96	14,348	14,348	17%	82,814

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 13, T19S - R36E								
Getty Oil Co.								
Monstate	2	I	M	1.00	4,676	4,676	22%	20,913
	4	N	M	1.00	20,908	20,908	99.9%	20,913
	5	H	M	1.00	15,059	15,059	72%	20,913
Conoco, Inc.								
State "KP" 13	1	F	M	1.00	7,868	7,868	38%	20,913
Section Total			M	4.00	48,511	48,511	58%	83,650
Section 24, T19S - R36E								
Gulf Oil Corp.								
Graham State NCT-C	1	J	M	1.00	886	886	4%	20,913
Sun Oil Co.								
J. L. Barr	2	L	M	1.00	3,446	3,446	16%	20,913
Texaco, Inc.								
New Mexico J State	3	F	M	1.00	16,263	16,263	78%	20,913
Shell Oil Co.								
State C	1	A	N	0.50	35,044	10,456	100%	10,456
Section Total			M	3.50	55,639	31,051	42%	73,194

PRODUCTION & ALLOWABLE DATA
EUMONT YATES 7-RIVERS QUEEN GAS POOL
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMETS
CIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7021

Submitted by Gulf Oil

Hearing Date 9-17-80

Exhibit No. 2

Case No. 7021

Date: 9-17-80

OPERATOR LEASE	WELL NO.	UNIT	STATUS	ACREAGE FACTOR	JUNE PRODUCTION	AUGUST ALLOCATION	% TOP ALLOWABLE ASSIGNED	TOP ALLOWABLE
Section 25, T19S - R36E								
Getty Oil Co.								
A. L. Christmas	1	M	M	.50	315	315	3%	10,456
Amerada Hess Corp.								
State "T"	3	F	M	1.00	10,048	10,048	48%	20,913
Gulf Oil Corp.								
Graham State NCT-C Com	8	J	M	2.00	24,976	24,976	60%	41,825
Texaco, Inc.								
W. M. Weir	1	E	M	1.00	515 R	515	2%	20,913
Section Total			M	4.50	35,854	35,854	38%	94,106

(.50 of AF. in
Sec. 26)

Dockets Nos. 30-80 and 31-80 are tentatively set for October 1 and 15, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 17, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7021: Application of Gulf Oil Corporation for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 477-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 19, Township 19 South, Range 37 East, Eumont Gas Pool, to its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of said Section 19.

CASE 6961: (Continued from August 20, 1980, Examiner Hearing)

Application of Conoco Inc. for a dual completion and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Meyer A-29 Well No. 11 to be drilled at an unorthodox location 990 feet from the North line and 660 feet from the East line of Section 29, Township 22 South, Range 36 East, to produce gas from the Langley-Devonian and -Ellenburger Pools thru parallel strings of tubing, the E/2 of said Section 29 to be dedicated to the well.

CASE 7022: Application of Texas Pacific Oil Company, Inc. for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a 320-acre non-standard proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, Jalmat Gas Pool, to its Wells Nos. 40 and 63 located in Units A and C, respectively, of said Section 9. Applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

CASE 7008: (Continued from August 20, 1980, Examiner Hearing)

Application of Coronado Exploration Corp. for eight compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying eight 40-acre proration units, being the NE/4 NE/4 of Section 4 and the NW/4 NE/4 of Section 5, both in Township 12 South, Range 28 East, and the NW/4 SE/4 of Section 6, the NE/4 NW/4 of Section 23, the NE/4 SE/4 of Section 28, the SE/4 SE/4 of Section 29, the NE/4 NW/4 of Section 32, and the SE/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 7004: (Continued from August 20, 1980, Examiner Hearing)

Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Morrow formations underlying the N/2 of Section 12, Township 19 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7023: Application of Shell Oil Company for pool creation and temporary special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian oil pool for its Askew Well No. 1 located in Unit L of Section 2, Township 5 South, Range 33 East, and the promulgation of special pool rules therefor, including a provision for 80-acre spacing.

CASE 7011: (Continued from August 20, 1980, Examiner Hearing)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Blanco-Pictured Cliffs production in the wellbores of the following six wells: Elliott "C" No. 1, SE/4 of Section 9, Township 30 North, Range 9 West; Elliott "B" No. 8, NE/4 of Section 10; "A" Nos. 3 and 2, NE/4 and NW/4, Section 11; "D" No. 7, SW/4 of Section 11; and "E" No. 1, NW/4 of Section 14, all in Township 29 North, Range 9 West.

CASE 7019: (Continued from September 3, 1980, Examiner Hearing)

Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 30, Township 23 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6991: (Continued from September 3, 1980, Examiner Hearing)

Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in a 100 foot perforated interval between 4400 feet and 4800 feet in its South Hobbs Unit Well No. 103 in Unit B of Section 15, Township 19 South, Range 38 East, Hobbs Grayburg-San Andres Pool.

CASE 7024: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 35, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7025: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7005: (Continued from August 20, 1980, Examiner Hearing)

Application of Sol West III for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.

CASE 6822: (Continued from September 3, 1980, Examiner Hearing)

In the matter of Case 6822 being reopened pursuant to the provisions of Order No. R-6293 which order created the West Double X-Wolfcamp Gas Pool as a retrograde gas condensate pool and set special production limitations therein. Operator(s) may appear and present evidence to establish the true nature of the reservoir and proper rates of withdrawal therefrom.

CASE 7026: Application of Bass Enterprises Production Company for pool creation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Bone Spring oil pool for its Big Eddy Unit Well No. 60 located in Unit J of Section 20, Township 21 South, Range 28 East, and the promulgation of special rules therefor including a gas-oil ratio limitation of 10,000 to one.

CASE 7027: Application of W. A. Moncrief, Jr. for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Marathon State Com. Well No. 1 in Unit J of Section 11, Township 24 South, Range 24 East.

CASE 7028: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, deleting, and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the North Bell Lake-Wolfcamp Pool. The discovery well is Amoco Production Company State HL Well No. 1 located in Unit L of Section 2, Township 23 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 2: W/2

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Golden Lane-Delaware Pool. The discovery well is Meadco Properties, Ltd. Hudson Federal Well No. 1 located in Unit C of Section 4, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 4: Lots 3, 4, 5, 6, 11, and 12

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the McDonald-Atoka Gas Pool. The discovery well is Harvey E. Yates Company Heyco Betenbough Well No. 1 located in Unit C of Section 32, Township 13 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM
Section 32: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Pearsall-Seven Rivers Pool. The discovery well is Arrowhead Oil Corporation Hover Well No. 3 located in Unit D of Section 32, Township 17 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 32: NW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the West Tonto-Wolfcamp Pool. The discovery well is Inexco Oil Company Federal Com 7 Well No. 2 located in Unit E of Section 7, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 7: NW/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Winchester-Bone Spring Pool. Further to assign approximately 38,955 barrels of discovery allowable to the discovery well, Marathon Oil Company Martinez "31" Federal Well No. 1 located in Unit F of Section 31, Township 19 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4

(g) CONTRACT the horizontal limits of the Mid Bell Lake-Devonian Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 18: N/2 and SW/4

(h) CONTRACT the horizontal limits of the La Rica-Morrow Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 2: All

(i) EXTEND the Airstrip-Upper Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 35: NE/4
Section 36: NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 31: NW/4

- (j) EXTEND the Airstrip-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4
Section 26: NE/4

- (k) EXTEND the Artesia Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 22: E/2 NE/4

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 35: W/2 NW/4

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 2: NW/4 and N/2 SW/4

- (l) EXTEND the Bough-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 14: NE/4

- (m) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 8: E/2

- (n) EXTEND the North Burton Flat-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 29: N/2

- (o) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 16: W/2

- (p) EXTEND the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 4: E/2 E/2

- (q) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 24: S/2 NW/4 and N/2 S/2

- (r) EXTEND the Eagle Creek Permo-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 31: All

- (s) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 12: All

- (t) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 28: N/2 N/2

- (u) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 3: E/2

- (v) EXTEND the West Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM
Section 24: N/2

- (w) EXTEND the Langley-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 28: S/2

- (x) EXTEND the Langley-Ellenburger Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 28: S/2

- (y) EXTEND the Los Medanos-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 1: S/2

- (z) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 17: S/2
Section 19: E/2
Section 20: W/2

- (aa) EXTEND the Lusk-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 13: All

- (bb) EXTEND the West Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 8: E/2
Section 9: S/2

- (cc) EXTEND the Mesa-Queen Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 1: SW/4

- (dd) EXTEND the Midway-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 8: SE/4

- (ee) EXTEND the Nash Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 7: S/2

- (ff) EXTEND the North Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 29: S/2

- (gg) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 25: NW/4 and N/2 SW/4

- (hh) EXTEND the Sand Point-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 3: Lots 1, 2, 7, 8, 9, 10,
15 and 16

- (ii) EXTEND the Shoebar-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 28: N/2 and SW/4

(jj) EXTEND the Shugart-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPH
Section 1: W/2
Section 2: N/2

(kk) EXTEND the Sioux Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPH
Section 9: SE/4

(ll) EXTEND the Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPH
Section 19: SE/4

(mm) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPH
Section 24: SW/4
Section 35: NW/4

(nn) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPH
Section 1: S/2
Section 2: S/2
Section 11: N/2
Section 14: All

(oo) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPH
Section 7: S/2
Section 18: All

(pp) EXTEND the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPH
Section 34: SE/4

(qq) EXTEND the Yarrow-Delaware Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPH
Section 22: NE/4

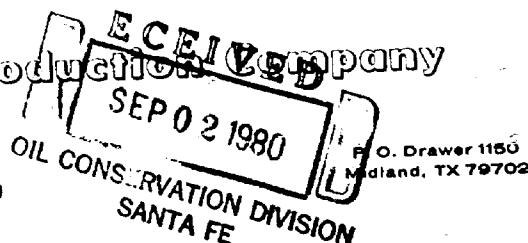
(rr) EXTEND the Young-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPH
Section 4: S/2
Section 9: E/2

Gulf Oil Exploration and Production Company

J. M. Thacker
GENERAL MANAGER PRODUCTION
SOUTHWEST DISTRICT

August 27, 1980



Case 7021

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

Attention: Mr. Joe D. Ramey

Re: Request for Hearing, Unorthodox
Location, Eumont Gas Pool,
Lea County, New Mexico

Gentlemen:

By letter dated August 14, 1980, our Hobbs office requested administrative approval for an unorthodox location and simultaneous dedication on a previously approved non-standard proration unit for our B. V. Culp (NCT-A) Well No. 9. This will confirm our conversation with your office of August 26, 1980 to set this matter for hearing on the September 17, 1980 Docket.

Yours very truly,

D. F. Berlin
for: R. H. PEACOCK
Technical Manager

BSS/ph



A DIVISION OF GULF OIL CORPORATION

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 14, 1980

P. O. Box 670
Hobbs, NM 88240

Mr. Joe D. Ramey
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

R-1487

Gulf Oil Corporation requests your administrative approval for an amendment to Order No. 1487 for a 477 acre non-standard proration unit in the Eumont Gas pool, consisting of the N $\frac{1}{2}$ and SE $\frac{1}{4}$ of Section 19-T19S-R37E, Lea County, New Mexico. The proration unit is to be simultaneously dedicated to our B. V. Culp (NCT-A) #9, located 2040' FSL and 1980' FEL, Section 19-T19S-R37E, and the B. V. Culp (NCT-A) #3, located 1980' FNL and 1980' FWL, Section 19-T19S-R37E, which has previously been dedicated to the aforementioned 477 acre non-standard proration unit.

In support of this application the following facts are submitted:

- (1) There are no other wells producing from the Eumont Gas pool in this non-standard proration unit.
- (2) The attached plat shows the 477 acre unit and the two wells.
- (3) All offset operators have been furnished copies of this application by certified mail.

Your early consideration will be appreciated.

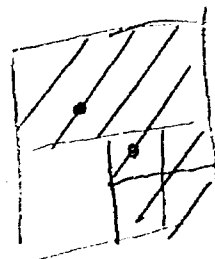
Yours very truly,

R. C. Anderson
R. C. ANDERSON

TSW/jr

Attachment

cc: Offset Operators (attached)
Oil Conservation Commission - Hobbs
J. M. Thacker - Midland



A DIVISION OF GULF OIL CORPORATION

Offset Operators - B. V. Culp (NCT-A) #9

Texaco, Inc.
P. O. Box 728
Hobbs, NM 88240

Amerada Hess Corp.
P. O. Box 2040
Tulsa, Oklahoma 74102

Shell Oil Co.
P. O. Box 991
Houston, Texas 77001

Continental Oil Company
P. O. Box 2197
Greenway Plaza
Houston, TX 77001

Phillips Petroleum Co.
Frank Phillips Bldg.
Bartlesville, OK 74003

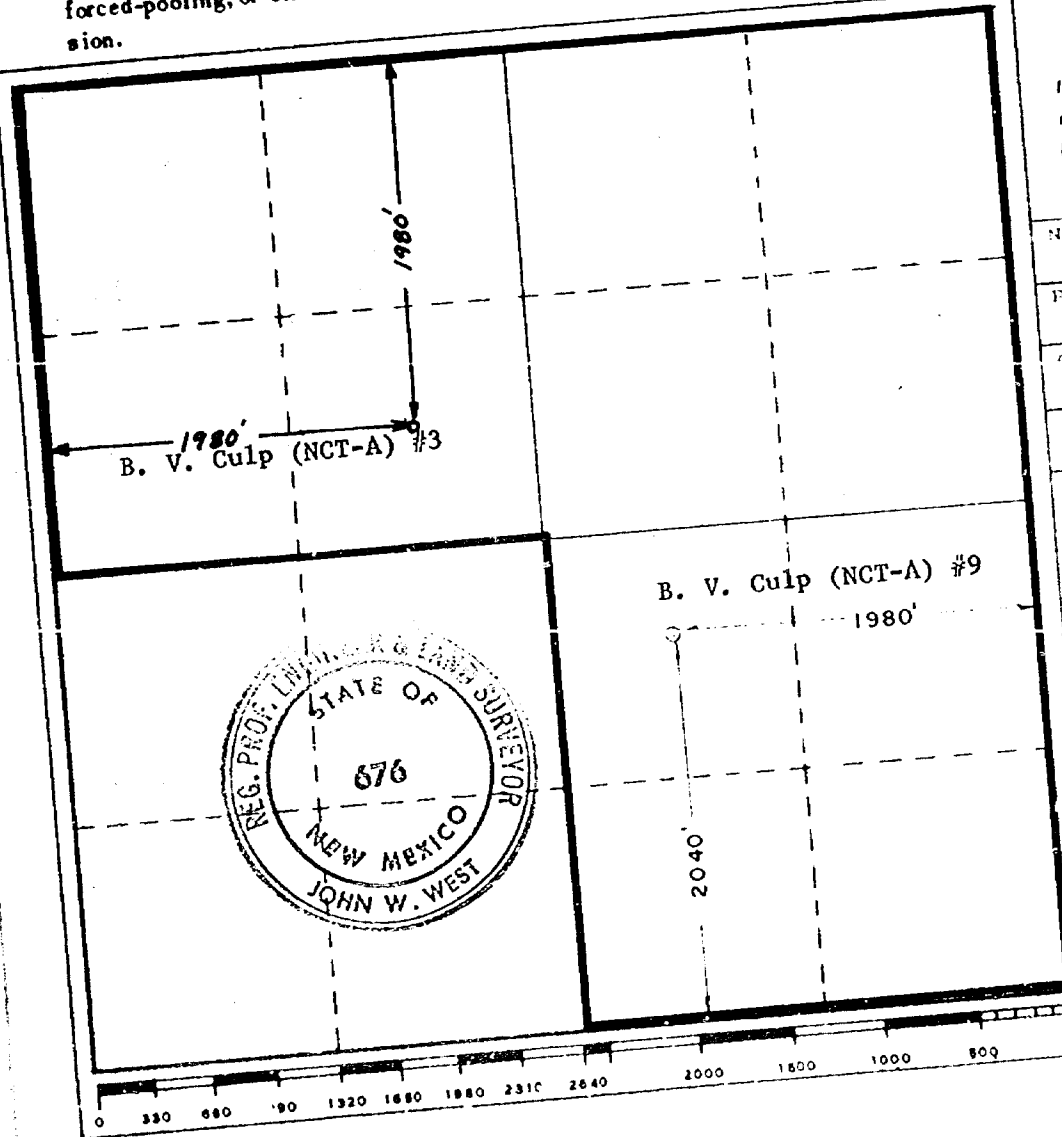
Getty Oil Co.
P. O. Box 1404
Houston, TX 77001

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Superseded C-128
Effective 1-1-65

Operator GULF OIL CORPORATION				Well No. 9	
All distances must be from the outer boundaries of the Section					
Unit Letter J	Section 19	Township 19 South	Range 37 East	County Lea	
Actual Footage Location of Well: 2040 feet from the south line and 1980 feet from the east line			Dedicated Acreage: 477.19 Acres		
Ground Level Elev. 3683.4	Producing Formation Yates 7 Rivers Queen		Pool Eumont		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 ☐ No If answer is "yes," type of consolidation Communitization
 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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
R. C. Anderson
 Position
Area Production Manager
 Company
Gulf Oil Corporation
 Date
8-14-80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Nov. 13, 1979

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6465
Ronald J. Eidson 3239

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 14, 1980



P. O. Box 670
Hobbs, NM 88240

Mr. Joe D. Ramey
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 7021

Dear Sir:

Gulf Oil Corporation requests your administrative approval for an amendment to Order No. 1487 for a 477 acre non-standard proration unit in the Eumont Gas pool, consisting of the N $\frac{1}{2}$ and SE $\frac{1}{4}$ of Section 19-T19S-R37E, Lea County, New Mexico. The proration unit is to be simultaneously dedicated to our B. V. Culp (NCT-A) #9, located 2040' FSL and 1980' FEL, Section 19-T19S-R37E, and the B. V. Culp (NCT-A) #3, located 1980' FNL and 1980' FWL, Section 19-T19S-R37E, which has previously been dedicated to the aforementioned 477 acre non-standard proration unit.

In support of this application the following facts are submitted:

- (1) There are no other wells producing from the Eumont Gas pool in this non-standard proration unit.
- (2) The attached plat shows the 477 acre unit and the two wells.
- (3) All offset operators have been furnished copies of this application by certified mail.

Your early consideration will be appreciated.

Yours very truly,


R. C. ANDERSON

TSW/jr

Attachment

cc: Offset Operators (attached)
Oil Conservation Commission - Hobbs
J. M. Thacker - Midland



Offset Operators - B. V. Culp (NCT-A) #9

Texaco, Inc.
P. O. Box 728
Hobbs, NM 88240

Amerada Hess Corp.
P. O. Box 2040
Tulsa, Oklahoma 74102

Shell Oil Co.
P. O. Box 991
Houston, Texas 77001

RECEIVED
AUG 13 1980
OIL CONSERVATION DIVISION
SANTA FE
Continental Oil Company
P. O. Box 2197
Greenway Plaza
Houston, TX 77001

Phillips Petroleum Co.
Frank Phillips Bldg.
Bartlesville, OK 74003

Getty Oil Co.
P. O. Box 1404
Houston, TX 77001

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

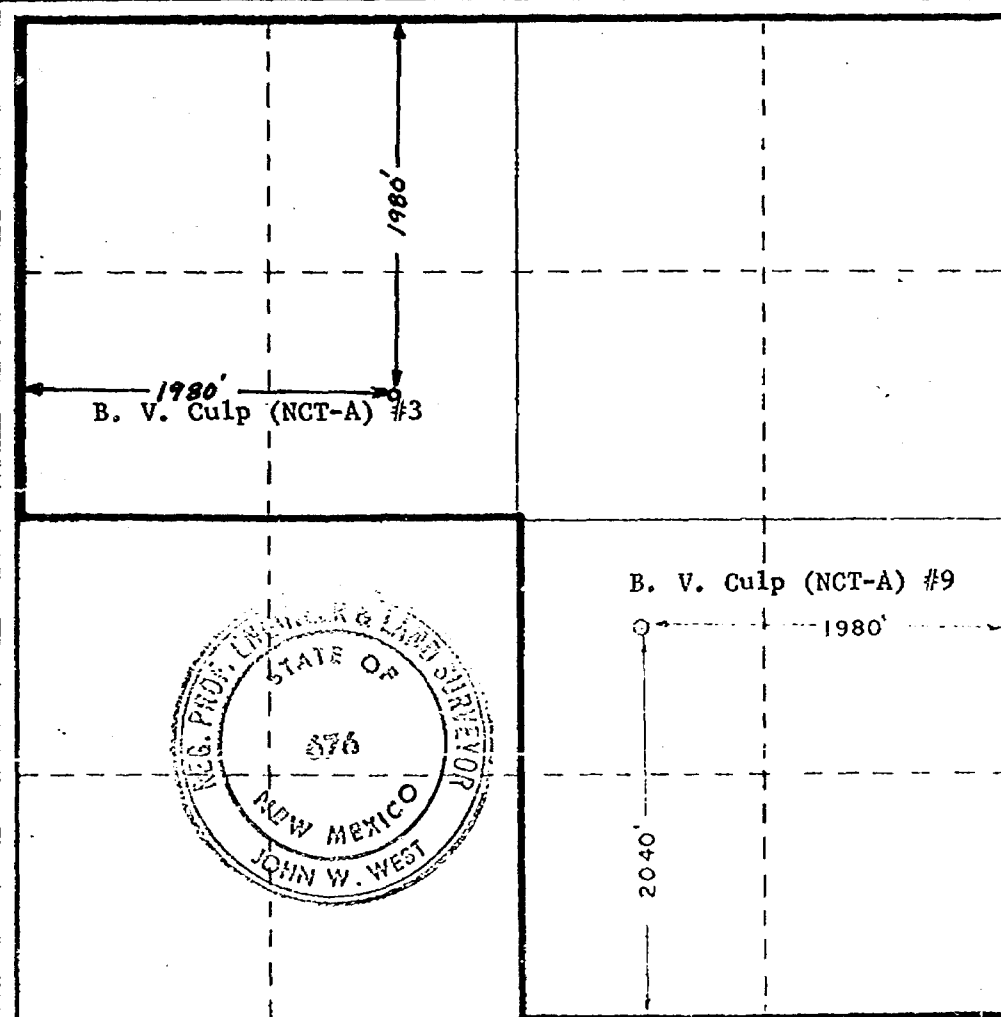
Operator GULF OIL CORPORATION			Lease B.V. Culp (NCT-A)		Date AUG 1 1980		Well No. 9	
Unit Letter J	Section 19	Township 19 South	Range 37 East	County SANTA FE				
Actual Footage Location of Well: 2040 feet from the south line and 1980 feet from the east line								
Ground Level Elev. 3683.4	Producing Formation Yates 7 Rivers Queen		Pool Eumont		Dedicated Acreage: 477.19 Acres			

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 (such as 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 ☐ No If answer is "yes," type of consolidation Communitization

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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

R. C. Anderson

Name

R. C. Anderson

Position

Area Production Manager

Company

Gulf Oil Corporation

Date

8-14-80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Nov. 13, 1979

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6665
Ronald J. Eidson 3239



Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 14, 1980

RECEIVED
OIL CONSERVATION DIVISION
SANTA FE, Box 670
Hobbs, NM 88240

Mr. Joe D. Ramey
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation requests your administrative approval for an amendment to Order No. 1487 for a 477 acre non-standard proration unit in the Eumont Gas pool, consisting of the N $\frac{1}{2}$ and SE $\frac{1}{4}$ of Section 19-T19S-R37E, Lea County, New Mexico. The proration unit is to be simultaneously dedicated to our B. V. Culp (NCT-A) #9, located 2040' FSL and 1980' FEL, Section 19-T19S-R37E, and the B. V. Culp (NCT-A) #3, located 1980' FNL and 1980' FWL, Section 19-T19S-R37E, which has previously been dedicated to the aforementioned 477 acre non-standard proration unit.

In support of this application the following facts are submitted:

- (1) There are no other wells producing from the Eumont Gas pool in this non-standard proration unit.
- (2) The attached plat shows the 477 acre unit and the two wells.
- (3) All offset operators have been furnished copies of this application by certified mail.

Your early consideration will be appreciated.

Yours very truly,

R. C. Anderson
R. C. ANDERSON

TSW/jr

Attachment

cc: Offset Operators (attached)
Oil Conservation Commission - Hobbs
J. M. Thacker - Midland



A DIVISION OF GULF OIL CORPORATION

Offset Operators - B. V. Culp (NCT-A) #9

Texaco, Inc.
P. O. Box 728
Hobbs, NM 88240

Amerada Hess Corp.
P. O. Box 2040
Tulsa, Oklahoma 74102

Shell Oil Co.
P. O. Box 991
Houston, Texas 77001

RECEIVED

AUG 13 1980

Continental Oil Company
P. O. Box 2197 SANTA FE
Greenway Plaza
Houston, TX 77001

Phillips Petroleum Co.
Frank Phillips Bldg.
Bartlesville, OK 74003

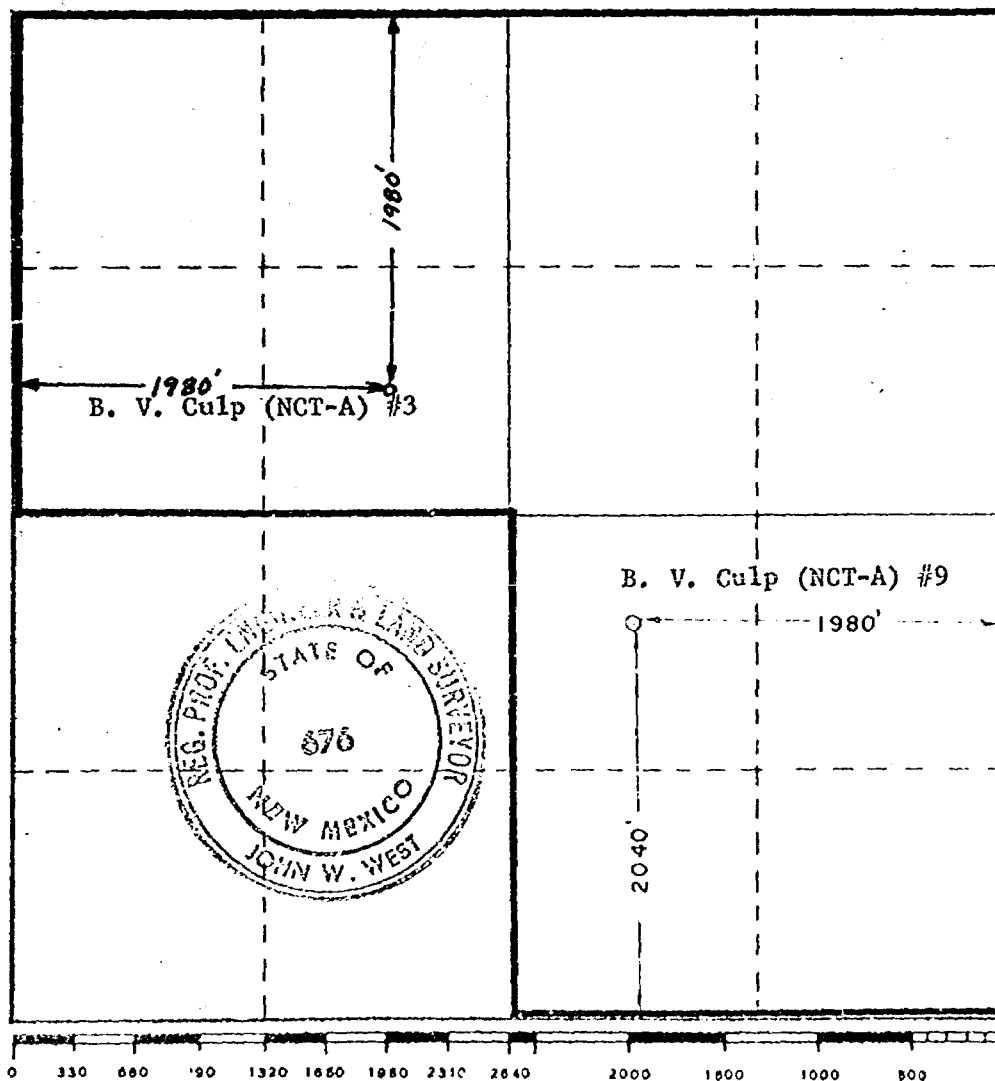
Getty Oil Co.
P. O. Box 1404
Houston, TX 77001

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED
 Form C-102
 Supersedes C-128
 Effective 1-1-65
AUG 13 1980

All distances must be from the outer boundaries of the Section

Operator GULF OIL CORPORATION			Lease B. V. Culp (NCT-A)		Oil Conservation District SANTA FE
Unit Letter J	Section 19	Township 19 South	Range 37 East	County Lea	
Actual Footage Location of Well: 2040 feet from the south line and 1980 feet from the east line					
Ground Level Elev. 3683.4	Producing Formation Yates 7 Rivers Queen		Pool Eumont	Dedicated Acreage: 477.19 Acres	
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 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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes," type of consolidation <u>Communitization</u> 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 Commission.					



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	R. C. Anderson
Position	Area Production Manager
Company	Gulf Oil Corporation
Date	8-14-80
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	Nov. 13, 1979
Registered Professional Engineer and/or Land Surveyor	
<i>John W. West</i>	
Certificate No.	JOHN W. WEST 876 PATRICK A. ROMERO 6668 Ronald J. Eidson 3239

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 14, 1980

P. O. Box 670
Hobbs, NM 88240

CERTIFIED MAIL

Re: Application for Simultaneous
Dedication of a Non-Standard
Eumont Gas Proration Unit

Texaco, Inc.
P. O. Box 728
Hobbs, NM 88240

Amerada Hess Corp.
P. O. Box 2040
Tulsa, OK 74102

Shell Oil Co.
P. O. Box 991
Houston, TX 77001

Continental Oil Co.
P. O. Box 2197
Houston, TX 77001

Phillips Petroleum Co.
Frank Phillips Bldg.
Bartlesville, OK 74003

Getty Oil Co.
P. O. Box 1404
Houston, TX 77001

Gentlemen:

Attached are copies of Gulf's application for amendment to Order No. 1487, to allow simultaneous dedication of a non-standard proration unit in the Eumont Gas pool, together with a plat showing the area involved.

In order to expedite handling of this application by the New Mexico Oil Conservation Commission, it would be appreciated if you would sign and mail direct to the Commission one copy of the attached waiver. Enclosed is a self-addressed, stamped envelope for your convenience.

Yours very truly,

R. C. Anderson
R. C. ANDERSON

TSW/jr

Attachment

cc: New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501
ATTN: Mr. Joe D. Ramey

Re: Gulf Oil Corporation's Application for Amendment to Order No. 1487 to Allow Simultaneous Dedication of a Non-Standard Proration Unit in the Eumont Gas Pool

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

ATTENTION: Mr. Joe D. Ramey

Gentlemen:

We have received the subject application and herewith waive any objection to Gulf Oil Corporation's application as specified.

COMPANY

COMPANY REPRESENTATIVE

TITLE

DATE

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7021

Order No. R-6482

APPLICATION OF GULF OIL CORPORATION
FOR SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17
19⁸⁰, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of September, 1980, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, seeks approval
for the simultaneous dedication of a previously approved 477-acre

-2-
Case No. 7021
Order No. R-

non-standard gas proration unit comprising the N/2 and SE/4 of Section 19, Township 19 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant further seeks to simultaneously dedicate its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of said Section 19.

(4) That the above-described wells will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed simultaneous dedication.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Gulf Oil Corporation is hereby authorized to simultaneously dedicate its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of Section 19, Township 19 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

477-acre
to a previously approved non-standard
gas proration unit consisting of
the N/2 and SE/4 of said Section
19.