

# STATE LAND OFFICE

*Santa Fe, New Mexico*

E. S. WALKER  
COMMISSIONER OF PUBLIC LANDS



December 16, 1955

Gulf Oil Corporation  
P. O. Drawer 1290  
Fort Worth 1, Texas

Att: Mr. B. E. Thompson

Re: Oil Conservation Commission

Gentlemen:

On the 16th day of December, 1955, the Oil Conservation Commission approved the above order for your Graham-State "G" Well No. 8, located in NW/4 Six/8 of Section 25, Township 19 South, Range 36 East, NMPLM, Lea County, New Mexico, in the Dumont Gas Pool.

In view of the above order, it will be necessary for you to submit an application to communitize the following State acreage: Gulf's Graham-State Lease No. A-1543, and Gulf

Martin State Lease No. B-218 and Sun's State Lease No. B-2267.

which is included in the above order, and which must be submitted to the Commissioner of Public Lands for approval within 60 days.

Your cooperation in this regard will be appreciated.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

cc: Sun Oil Company, Odessa, Texas  
Oil Conservation Commission, Hobbs  
Oil Conservation Commission, Santa Fe

MAIN OFFICE OGC

OIL CONSERVATION COMMISSION

RECEIVED 11/18/55

BOX 2045

HOBBS, NEW MEXICO

DATE 11/18/55

MR. W. B. MACEY  
OIL CONSERVATION COMMISSION  
BOX 871  
SANTA FE, NEW MEXICO

RE:

PROPOSED NSP

213

PROPOSED NSL

Dear Mr. Macey:

I have examined the application dated 11/14/55

for the Gulf Graham State C #8 25-19-36  
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

OK -CR AND RFM

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Rieder

XXXXXXXXXXXXXXXXXXXX C. M. Rieder  
Engineer

320 acres E/2 Section



PETROLEUM AND ITS PRODUCTS

# GULF OIL CORPORATION

B. E. THOMPSON  
DIVISION PRODUCTION MANAGER

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

November 17, 1955

FORT WORTH  
PRODUCTION DIVISION

Re: Application for 320-Acre Gulf-Sun  
Non-Standard Gas Proration Unit,  
Eumont Gas Pool, Comprising E/2 of  
Section 25, T-19-S, R-36-E, Lea  
County, New Mexico

Oil Conservation Commission  
State of New Mexico  
Santa Fe, New Mexico

Gentlemen:

On November 14, 1955, we forwarded an application for 320-acre Gulf-Sun non-standard gas proration unit with Gulf's Graham-State "C" Well No. 8 to be used as the unit well. The plat accompanying the application was in error in that it showed the section to be Section 26, T-19-S, R-36-E.

We are enclosing a corrected plat showing the correct section number which is Section 25, T-19-S, R-36-E.

Yours very truly,

GULF OIL CORPORATION

By B. E. Thompson  
Division Production Manager

cc: Amerada Petroleum Corporation  
Attn: Mr. R. S. Christie  
P. O. Box 2040  
Tulsa, Oklahoma

Skelly Oil Company  
P. O. Box 38  
Hobbs, New Mexico

Oil Conservation Commission  
P. O. Box 2045  
Hobbs, New Mexico  
Attn: Mr. A. L. Porter, Jr.

Sun Oil Company  
Box 2792  
Odessa, Texas

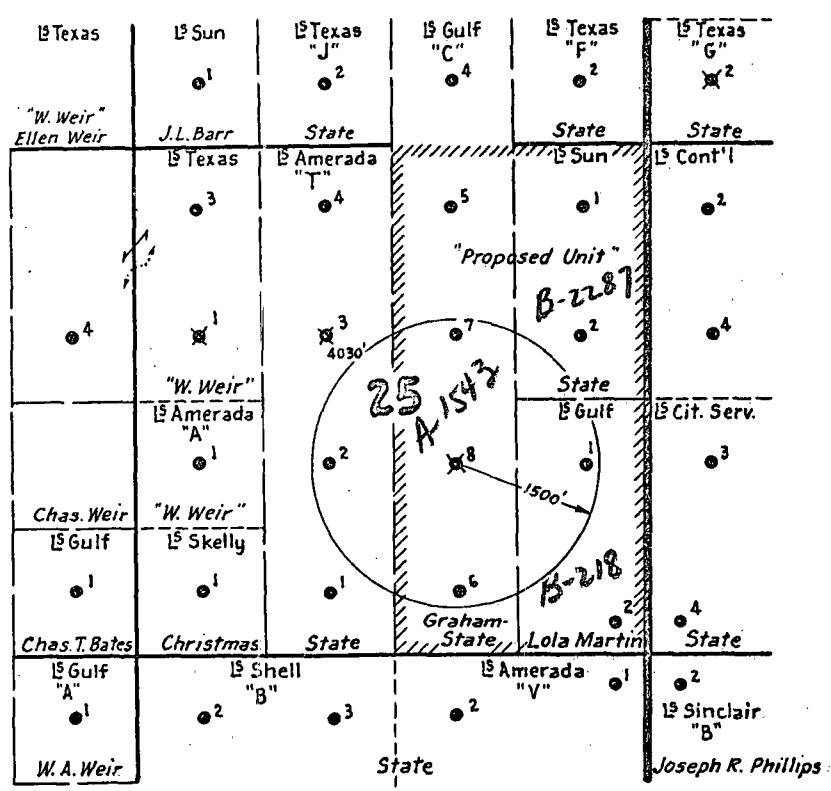
The Texas Company  
P. O. Box 1270  
Midland, Texas

cc - 0000 - Hobbs  
11/23/55

N/SP-213  
Done 12/10/55

R 36 E

T  
19  
S



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

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

Gulf - Graham-State "C" Lease



PETROLEUM AND ITS PRODUCTS

# GULF OIL CORPORATION

B. E. THOMPSON  
DIVISION PRODUCTION MANAGER

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

November 14, 1955

FORT WORTH  
PRODUCTION DIVISION

Re: Application for 320-Acre Gulf-Sun  
Non-Standard Gas Proration Unit,  
Eumont Gas Pool, Comprising E/2  
of Section 25, T-19-S, R-36-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 non-standard gas proration unit comprising the E/2 of Section 25, T-19-S, R-36-E, Lea County, New Mexico, and in support thereof states the following facts:

- (1) Gulf Oil Corporation is owner and operator of oil and gas leases known as its Graham-State "C" Lease located in the W/2 of the E/2 of Section 25, T-19-S, R-36-E, Lea County, New Mexico, and its Lola Martin Lease located in the E/2 of the SE/4 of Section 25, T-19-S, R-36-E, Lea County, New Mexico. Sun Oil Company is owner and operator of an oil and gas lease located in the E/2 of the NE/4 of Section 25, T-19-S, R-36-E, Lea County, New Mexico. The Gulf and Sun leases comprise the 320 acres above described.
- (2) Gulf Oil Corporation proposes that the above described acreage be established as a non-standard 320-acre gas proration unit in exception to Rule 5(a) of Order R-520.
- (3) Gulf Oil Corporation is owner and operator of the Graham-State "C" Well No. 8 located 1980 feet from the east line and 1980 feet from the south line of Section 25, T-19-S, R-36-E, which was dually completed November 4, 1955, as a gas-oil dual well. This well is in the Eumont Gas Pool and the Monument Oil Pool. The applicant proposes to use this well as the unit well.
- (4) Contingent upon obtaining Conservation Commission approval of this application for the non-standard 320-acre gas proration unit, Gulf Oil Corporation and Sun Oil Company

*all DDAB  
Lands*

*Need State  
Comments*

November 14, 1955

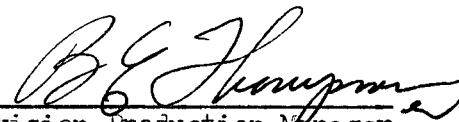
have agreed to enter into a gas pooling agreement and an operating agreement covering the above described 320 acres for the purpose of producing their respective shares of Eumont Pool gas under such acreage and have agreed to use the Gulf Oil Corporation Graham-State "C" Well No. 8 as the unit well.

- (5) 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 5280 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 1500 feet of the proposed unit well are notified by registered mail of the intent of Gulf Oil Corporation and Sun Oil Company 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   
Division Production Manager

cc: Registered Mail - Return Receipt Requested:

✓ Amerada Petroleum Corporation  
✓ Attn: Mr. R. S. Christie  
P. O. Box 2040  
Tulsa, Oklahoma

✓ Skelly Oil Company  
P. O. Box 38  
Hobbs, New Mexico

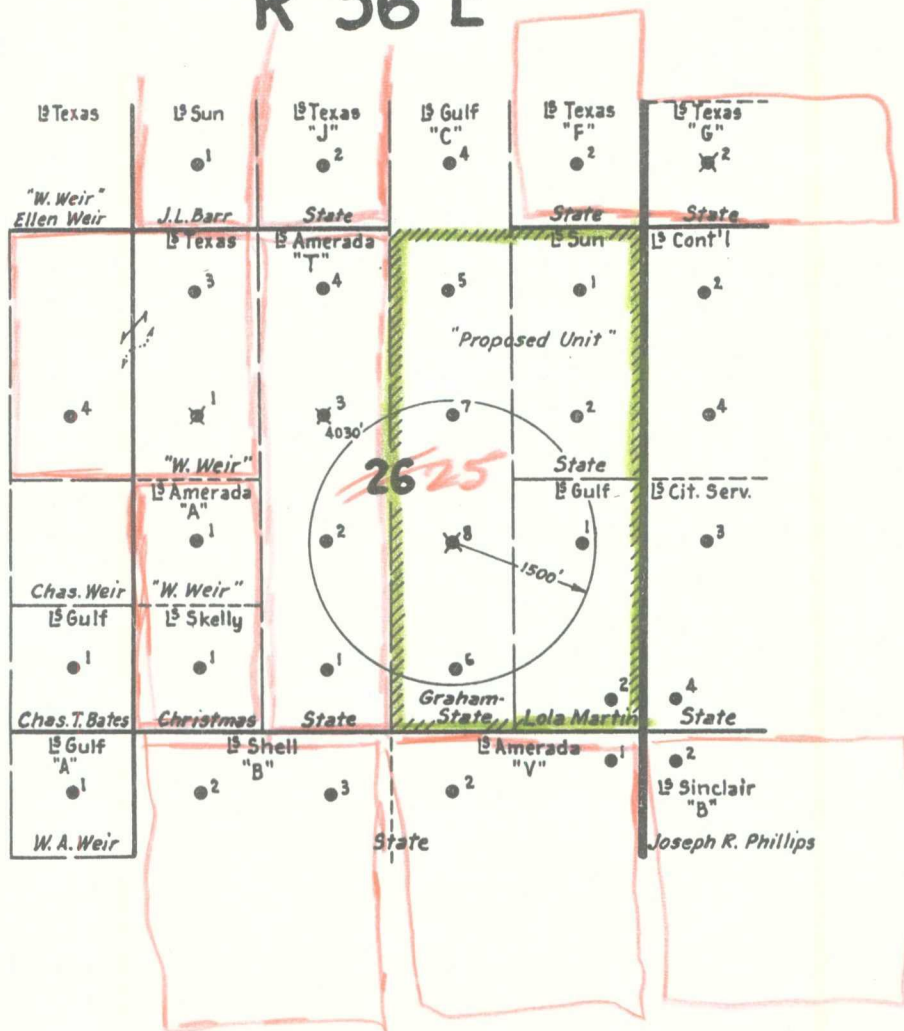
cc: Oil Conservation Commission  
P. O. Box 2045  
Hobbs, New Mexico

✓ Sun Oil Company  
Box 2792  
Odessa, Texas

✓ The Texas Company  
P. O. Box 1270  
Midland, Texas

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

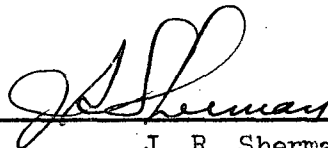
Plat Accompanying Application for  
320-Acre Non-Standard Gas Unit  
(Eumont Gas Pool)

Gulf - Graham-State "C" Lease

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 November 14, 1955, are true and correct and that copies of such Application were duly deposited on November 14, 1955, 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 14 day of November, 1955, 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





MAIN OFFICE 0000

PETROLEUM AND ITS PRODUCTS

# GULF OIL CORPORATION

P. O. DRAWER 669 • ROSWELL, NEW MEXICO

F. E. CURTIS, JR.  
ZONE LANDMAN

April 30, 1956

FORT WORTH  
PRODUCTION DIVISION

Refer To: UNIT DIVISION  
Graham-State (NCT) "C"  
Eumont Gas Unit No. 1 -  
E/2 Section 25-19S-36E,  
Lea County, New Mexico.  
Portions of State Leases  
Nos. A-1543, A-459 and  
B-2287

Mr. E. S. Walker  
Commissioner of Public Lands  
State Land Office  
Santa Fe, New Mexico

Dear Sir:

We enclose herewith, for your approval and filing, an original and two copies of a gas pooling agreement communitizing the dry gas and associated liquid hydrocarbons produced from the Eumont Gas Pool in and underlying the E/2 of Section 25. This acreage is comprised of State lands, and Sun Oil Company and Gulf Oil Corporation, as owners of valid and existing State oil and gas leases thereon, have agreed to form a gas proration unit in accordance with the terms of said gas pooling agreement. We also enclose herewith check in the amount of \$5.00 to cover filing fees.

To each copy of the enclosed instrument is attached a form of certificate of approval of communitization agreement. If the communitization meets with your approval, please indicate by executing all copies of the certificate and returning the original and one copy, along with the pooling agreements, to this office for our records and those of Sun.

For your information, the unit well for the subject unit is to be Gulf's Graham-State (NCT) "C" No. 8, located in the NW/4 SE/4 of Section 25, which was dually completed in the Eumont Gas Pool and the Monument Oil Pool on November 4, 1955.

Very truly yours,

*F. E. Curtis, Jr.*

F. E. CURTIS, JR.

SHC:dm  
Encs.

cc: Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico  
Attn: Mr. A. L. Porter

cc: Oil Conservation Commission  
1200 West Broadway  
Hobbs, New Mexico  
Attn: Mr. R. F. Montgomery

MAIN OFFICE OCC

1956 MAY 14 AM 8:54

May 11, 1956

In reply refer to:  
Unit Division

Gulf Oil Corporation  
P. O. Drawer 669  
Roswell, New Mexico

Attention: Mr. F. E. Curtis, Jr.

Re: Gulf's Graham State "C"  
No. 8 Well Communitization

Gentlemen:

We are approving the above designated Communitization comprising the E/2 of Section 25-19S-36E.

In the future we will expect your communitizations to be filed at least at the time the allowable is granted. The Oil Conservation Commission's letter to you of December 16, 1955, advised you that you were to submit an application to communitize this acreage to the Commissioner of Public Lands within sixty days.

We will in the future approve communitizations effective as of the date of the Commissioner's signature.

Two copies of the above Communitization, approved by the Commissioner of Public Lands as of May 11, 1956, are enclosed, along with Official Receipt No. 117112 in the amount of \$5.00, which covers your filing fee.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

MMR/m  
enc: 3

cc: OCC-Santa Fe



PETROLEUM AND ITS PRODUCTS

# GULF OIL CORPORATION

P. O. DRAWER 669 • ROSWELL, NEW MEXICO

F. E. CURTIS, JR.  
ZONE LANDMAN

May 16, 1956

MAIN OFFICE 066C  
1956 MAY 17 PM 11:19

FORT WORTH  
PRODUCTION DIVISION

Graham-State (NCT) "C"  
Eumont Gas Unit No. 1 -  
E/2 Section 25-19S-36E,  
Lea County, New Mexico.  
Administrative Order  
NSP-213.

✓ Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico  
Attention: Mr. A. L. Porter

Oil Conservation Commission  
1200 West Broadway  
Hobbs, New Mexico  
Attention: Mr. R. F. Montgomery

Gentlemen:

We enclose herewith photostatic copy of the communitization agreement between Gulf and Sun for the captioned unit, which was approved by the Commissioner of Public Lands on May 11, 1956.

For your information, the unit well for the captioned unit is to be Gulf's Graham-State "C" No. 8.

Very truly yours,

*F. E. Curtis, Jr.*  
F. E. CURTIS, JR.

SHC:dm  
Enc.



1956 MAY 2 AM 8:56

GAS POOLING AGREEMENT

GRAHAM-STATE (NCT) "C" EUMONT GAS UNIT 1

THIS AGREEMENT made and entered into the 12<sup>th</sup> day of December, 1955, by and between GULF OIL CORPORATION, hereinafter called "Gulf", and SUN OIL COMPANY, hereinafter called "Sun",

WITNESSETH, that

WHEREAS, Gulf is the owner and holder of State of New Mexico Oil and Gas Lease No. A-1543 dated December 29, 1928, from the State of New Mexico as lessor, to Gypsy Oil Company, as lessee, covering, among other lands, the  $W\frac{1}{2}E\frac{1}{2}$  of Section 25, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, Gulf is the owner and holder of State of New Mexico Oil and Gas Lease No. A-459 dated May 27, 1927, from the State of New Mexico as lessor, to Lola B. Martin, as lessee, covering, among other lands, the  $E\frac{1}{2}SE\frac{1}{4}$  of Section 25, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, Sun is the owner and holder of State of New Mexico Oil and Gas Lease No. B-2287 dated December 11, 1933, from the State of New Mexico as lessor, to Sun Oil Company, as lessee, covering, among other lands, the  $E\frac{1}{2}NE\frac{1}{4}$  of Section 25, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico; and

WHEREAS, it is the desire of Gulf and Sun that this agreement cover the  $E\frac{1}{2}$  of Section 25, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico, as to dry gas and associated liquid hydrocarbons produced from a gas well, as defined by the New Mexico Oil Conservation Commission, within the vertical limits of the Eumont Gas Pool, as defined in said Commission's



Order No. R-520, dated August 12, 1954, said area hereinafter being referred to as the "Pooled Proration Unit" which shall be known as the Graham-State (NCT) "C" Eumont Gas Unit 1; and

WHEREAS, in order to comply with existing rules and regulations governing gas well spacing and gas proration units, and to acquire a gas allowable for the above described pooled proration unit, it is the desire of the parties hereto to pool all leasehold and royalty interests in order to form one tract or unit, and

WHEREAS, Gulf desires to operate the pooled proration unit as an entirety for the purpose of developing and producing dry gas and associated liquid hydrocarbons in accordance with the terms and provisions of this agreement.

NOW, THEREFORE, in consideration of the premises and the mutual advantages offered by this agreement, it is mutually covenanted and agreed by and between the parties hereto that the pooled proration unit shall be developed and operated by Gulf, its successors or assigns, for the production therefrom of dry gas and associated liquid hydrocarbons as an entirety, with the understanding and agreement that the dry gas and associated liquid hydrocarbons from the pooled proration unit shall be allocated among the present or future owners of leasehold or royalty interests in the proportion that the acreage interest of each bears to the entire acreage interest committed hereto. There shall be no obligation on Gulf, or its successors or assigns, to offset any gas well or wells on separate component tracts into which such pooled proration unit is now or may hereafter be divided; nor shall Gulf, its successors or assigns be required to separately measure said dry gas or associated liquid hydrocarbons by reason of the diverse ownership of such production in and under said unit, but the lessee shall not be released



from the obligation to protect said unit from drainage by any gas well or wells which may be drilled offsetting the said unit. Payment of rentals under the terms of the leases hereinabove mentioned and described shall not be affected by this agreement except as may be herein otherwise provided.

It is further agreed that the commencement, completion, continued operation or production of a well or wells for dry gas and associated liquid hydrocarbons on the pooled proration unit shall be construed and considered as the commencement, completion, continued operation or production from each and all of the lands within and comprising said pooled proration unit, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

It is the intention of the parties hereto that this agreement shall include and affect only dry gas and associated liquid hydrocarbons produced through a gas well or gas wells as defined by the New Mexico Oil Conservation Commission located on the pooled proration unit hereinabove described and shall not include or affect in any manner whatsoever any of the production of hydrocarbons from any oil well located on the pooled tracts or any of the production of hydrocarbons from other than the Eumont Gas Pool as above defined.

It is further agreed that all production of dry gas and associated liquid hydrocarbons and disposal thereof shall be in conformity with allocations made or fixed by any duly authorized person or regulatory body under applicable Federal or State statute. The provisions of this agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations which affect the performance of any of the provisions of this agreement, and no party hereto shall suffer a




forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from compliance with any such law, order, rule or regulation.

This agreement shall be effective as of the date upon which the unit allowable established by the New Mexico Oil Conservation Commission first becomes effective and shall remain in force and effect for a period of one (1) year and so long thereafter as dry gas, with or without associated liquid hydrocarbons, is produced from any part of said pooled proration unit in paying quantities. It is further provided that after the expiration of said one-year period should the unit well or wells be reclassified by the New Mexico Oil Conservation Commission, or should the pooled proration unit cease to produce gas in paying quantities from any cause, this agreement shall not terminate, if within six (6) months after the date of any such reclassification or cessation of such production, Operator shall commence operations for the purpose of restoring gas production from the unit, in which event this agreement shall remain in full force and effect during the period such operations are being diligently prosecuted and so long thereafter as dry gas, with or without associated liquid hydrocarbons, is produced from said unit in paying quantities.

IN WITNESS WHEREOF this instrument is executed in duplicate on the day and year herein first above written.

ATTEST:

  
Assistant Secretary

H. M. G. RAY

~~ATTEST:~~

GULF OIL CORPORATION

By 

Vice-President

SUN OIL COMPANY

By 



STATE OF TEXAS      §

COUNTY OF TARRANT      §

On this 20<sup>th</sup> day of March, 1957, before me personally appeared H. M. Bayer, to me personally known, who being by me duly sworn did say that he is Vice-President of GULF OIL CORPORATION and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said H. M. Bayer acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.



Eva Marie Cooper Eva Marie Cooper  
Notary Public in and for Tarrant  
County, Texas

My commission expires:

June 1, 1957

STATE OF TEXAS      §

COUNTY OF DALLAS      §

On this 18 day of April, 1956, before me personally appeared T. F. Hill, to me personally known, who being by me duly sworn did say that he is the Agent and Attorney in Fact of SUN OIL COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said T. F. Hill acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.



Alex Lunn  
Notary Public in and for Dallas  
County, Texas

My commission expires:

June 1, 1957

CEU:eap  
3-14-56  
(5)



CERTIFICATE OF APPROVAL  
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO  
OF COMMUNITIZATION AGREEMENT

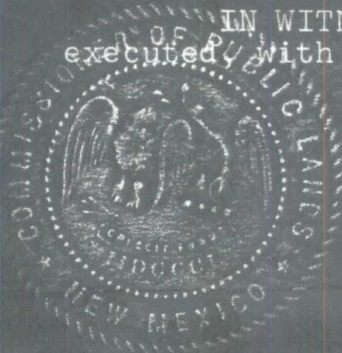
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There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Communitization Agreement for the development and operation of the E/2 of Section 25, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico, dated December 12, 1955, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement the Commissioner finds:

- (a) That such Agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area;
- (b) That under the operations proposed, the State will receive its fair share of the recoverable oil or gas in place under its land in the area affected;
- (c) That the Agreement is in other respects for the best interest of the State;
- (d) That the Agreement provides for the operation of the area as a unit for the allocation of production and the sharing of proceeds on an acreage basis as specified in the Agreement.

NOW, THEREFORE, by virtue of the authority conferred upon me by Chap. 88 of the Laws of the State of New Mexico, 1943, as amended by Chap. 162 of the Laws of New Mexico, 1951, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the communitized area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid Chap. 88 of the Laws of the State of New Mexico, 1943, as amended by Chap. 162 of the Laws of the State of New Mexico, 1951.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 11th day of May, 1956.



*E. Swalker*

Commissioner of Public Lands  
of the State of New Mexico