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PETROLEUM AND ITS PRODUCTS

NSP-323

GULF OIL CORPORATION

B. E. THOMPSON
DIVISION PRODUCTION MANAGER

P. O DRAWER 1290 FORT WORTH 1, TEXAS

FORT WORTH PRODUCTION DIVISION

September 21, 1956

Re: Application for 120-Acre Non-Standard Gas Proration Unit, Blinebry Gas Pool, Comprising W/2 and SE/4 of SE/4 of Section 30, T-22-S, R-37-E, Lea County, New Mexico

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

Gentlemen:

Gulf Oil Corporation hereby makes application for approval of a non-standard gas proration unit comprising W/2 and SE/4 of SE/4 of Section 30, T-22-S. R-38-E. Lea County, New Mexico, and in support thereof states the following facts:

- 1) Gulf Oil Corporation is owner and operator of an oil and gas lease known as its Drinkard "B" Lease, Lea County, New Mexico, as shown on the attached plat.
- (2) Gulf Oil Corporation proposes that the above described acreage be established as a non-standard 120-acre gas proration unit in exception to Rule 5 (a) of Order R-520.
- (3) The Drinkard "B" Well No. 1, located 660 feet from the East line and 660 feet from the South line of Section 30, T-22-5, R-38-E, Lea County, New Mexico, has been recompleted as a gas well in the Blinebry Gas Pool. The applicant proposes to use this well as the unit well.
- (4) The proposed non-standard gas proration unit will meet the requirements of Rule 5 (b) of the Oil Conservation Commission Order No. R-520 as follows:
 - (a) Contiguous quarter-quarter sections will comprise the unit.
 - (b) The proposed unit lies wholly within a single governmental section.
 - (c) All acreage within the proposed unit may reasonably be presumed productive of gas.

- (d) The length or width of the proposed unit does not exceed 5,280 feet.
- (e) Gulf Oil Corporation is lessee and operator of all the acreage comprising the proposed unit as shown on the attached plat, and by copy of this letter of application, all operators owning interest in the section in which the proposed unit is located and all operators within 1,500 feet of the proposed unit well are notified by registered mail of the intent of Gulf Oil Corporation to form the proposed non-standard gas proration unit. (See attached affidavit.)
- (5) The approval of this application for a 120-acre non-standard gas proration unit will, in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.
- (6) Gulf Oil Corporation and Western Oil Fields, Inc. are in the process of communitizing their respective leases to form a standard 160-acre gas proration unit consisting of the above described 120-acre non-standard gas proration unit and the NE/4 of SE/4 of Section 30, T-22-S, R-38-E, Lea County, New Mexico. When this communitization agreement is completed, the New Mexico Oil Conservation Commission will be advised accordingly, and a corrected Gas Well Plat, Form C-128, will be submitted with a request for redesignation and allowable for a 160-acre unit.

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

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Division Production Manager

cc: Registered Mail - Return Receipt Requested:

Stanolind Oil & Gas Company Box 899 Roswell, New Mexico

Western Oil Fields, Inc. 1636 Stout Street Denver, Colorado

The Texas Company Box 1270 Midland, Texas

cc: Oil Conservation Commission P. O. Box 2045 Hobbs, New Mexico COUNTY OF TARRANT | BEFORE ME, the undersigned authority, on this da

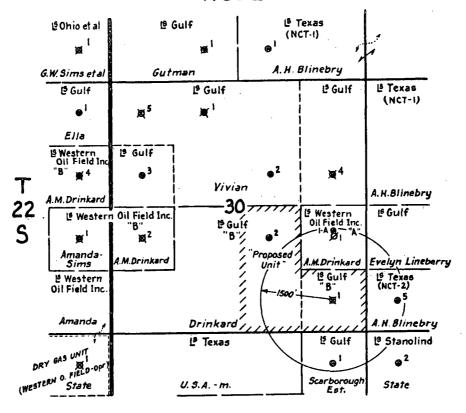
BEFORE ME, the undersigned authority, on this day personally appeared J. R. Sherman of the Fort Worth Production Division of Gulf Oil Corporation, who, after being by me duly sworn, upon his oath states that, to the best of his knowledge, the statements contained in the foregoing Application of Gulf Oil Corporation, dated September 21, 1956, are true and correct and that copies of such Application were duly deposited on 9 1956, in the United States post office as registered mail, with all charges prepaid, addressed to each of the parties shown receiving carbon copies of such Application.

Notary Public in and for Tarrant
County, Texas

My Commission Expires:

June 1, 1957

STATE OF TEXAS



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

Plat Accompanying Application for 120-Acre Non-Standard Gas Unit (Blinebry Gas Pool)

Gulf - Drinkard "B" Lease - (120 acres)