STATE LAND OFFICE

Santa Fe, New Mexico

E. S. WALKER
COMMISSIONER OF PUBLIC LANDS



January 7, 1956

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

Att: Mr. B. E. Thompson

Administrative Order NSP-221

Gentlemen:

On the <u>7th</u> Conservation Comm	day of	January	, 19 <u>56</u> ,	the Oil
Conservation Comm	ission app	proved the	above order	r for your
H. T. Orcutt "C'	wel:	1 No. <u>8</u>	, located	in Lot 2
of Section 6 Tox	washin 21 Sc	nith Range	36 East, NM1	PM.
Lea	County	, New Mexic	co, in the	Eumont
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 H. T. Orcutt (State) Lease No. B-244-1 and Atlantic's Catron State "L" Lease No. A-1375.

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: Atlantic Refining Co., Midland, Texas
Oil Conservation Commission, Hobbs
Oil Conservation Commission, Santa Fe

MAIN DEFICE CONSERVATION COMMISSION E E DE 19 10 102 BOX 2045

HOBES, NEW MEXICO

	DATE 12/13/55
MR. W. B. MACEY OIL CONSERVATION COMMISSION BOX 871 SANTA FE, NEW MEXICO Dear Mr. Macey: I have examined the application dated	PROPOSED NSP 221 PROPOSED NSL 12/1
for theOulf H. T. Orcutt C #8 6	and Well No. S-T-R
and my recommendations are as follows: I oppose the principal of withdrawals with but 28' between the two zones of	from within same vertical interval- production, I feel that gas may be of several existing units of this type,
to determine completeness of separati	on. Dana
304.83 acres Lots 1,2,3,4,5,6,7,8 of Sec. 2	Yours very truly, On this wild DIL CONSERVATION COMMISSION had special tests. Stendage Acceptance C. M. Rieder Engineer Against Commission and Commission a

ce. - occ. Hobbs FOIL CORPORATION Que // P.O. DRAWER 1290 - FORT WORTH 1, TEXAS DIVISION PRODUCTION MANAGER FORT WORTH December 1, 1955 PRODUCTION DIVISION Re: Application for 304.83-Acre Gulf-Atlantic Non-Standard Gas Proration Unit, Eumont Gas Pool, Comprising Lots 1, 2, 3, 4, 5, 6, 7, and 8 of Section 6, T-21-5, R-36-E, Lea County, New Mexico Cil Conservation Commission State of New Mexico Santa Fe, New Mexico Gentlemen: Gulf Gil Corporation hereby makes application for approval of a nonstandard gas proration unit comprising Lots 1, 2, 3, 4, 5, 6, 7, and 8, of Section 6, T-21-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 an oil and gas lease known as its H. T. Croutt "C" Lease located in Lots 1, 2, 3, 6, 7, and 8 of Section 6, T-21-S, R-36-E, Lea County, New Mexico. The Atlantic Refining Company is owner and operator of an oil and gas lease located in Lots 4 and 5 of Section 6, T-21-S, R-36-E, Lea County, New Mexico. The Gulf and Atlantic leases comprise the 304.83 acres above described. (2) Gulf Cil Corporation proposes that the above described acreage be designated as a non-standard 304.83-acre gas prorution unit in exception to Rule 5(a) of Order R-520. (3) Gulf Cil Corporation's H. T. Croutt "C" Well No. 8 located 1980 feet from the east line and 660 feet from the north line of Section 6, T-21-5, R-36-E, Les County, New Mexico, was dually completed on November 8, 1955. Oil will be produced from the Penrose section of the Queen Formation and the gas-well gas will be produced from the Enight section of the Queen Formation. Applicant requests that the above described 304.83 acres be ascribed to this well for proration purposes. (4) Contingent upon obtaining Conservation Commission approval of this application for the non-standard 304.83 acre gas proration unit, Gulf Cil Corporation and The Atlantic Refining Company have agreed to enter into a gas pooling agreement and an operating agreement covering the above described 304.83 acres for

the purpose of producing their respective shares of Eumont Pool gas under such acreage and have agreed to use the Gulf Cil Corporation H. T. Orcutt "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's 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 Cil Corporation and The Atlantic Refining 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 Cil Conservation Commission's Order No. R-520, Gulf Cil Corporation requests that the Secretary of the Commission approve the above described non-standard gas proration unit.

Respectfully submitted,

GULF OIL CORPORATION

cc: Registered Mail - Return Receipt Requested

The Atlantic Refining Company Box 871

Midland, Texas

El Paso Natural Gas Company Box 1384 Jal, New Mexico

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

Humble Oil & Refining Company

Division Production Manager

Attn: Mr. R. S. Dewey

Box 1600 Midland, Texas

Shell Oil Company Box 1957

Hobbs, New Mexico

1 Humble d Gulf # Gulf .1 "State-Aggies" State "R.R. Bell" IP Atlantic 15 Warren 12 Gulf # Shell "M" Proposed Unit www. Orcutt www. & Shell # Shell "E" .2 -G. •1 El free (Shell) 12 Gulf 14 12 Shell • 4 A ¥.4 3865 H.T. Orcutt 5hell Lª Atlantic # Gulf # Atlantic 15 Gulf L' Gulf W2 . E. "B" D" .1 .2 . 02-A "G" State State "State-Graham R.R.Bell" State 1ª Cont'l. if Shell 2 Amerada MAHL- et Tidewater "A" . If Repollo ¥3 3120 "B-8" .1-A H.L. Houston "Meyers" State

R 36 E

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

Flat Accompanying Application for 304.83-Acre Non-Standard Gas Unit (Euront Gas Pool)

Gulf - H. T. Orcutt "C" Lease

STATE OF TEXAS
COUNTY OF TARRANT

J. R. Sherman

SUBSCRIBED AND SWORN to before me by the said J. R. Sherman this (to day of <u>December</u>, 1955, to certify which witness my hand and seal of office.

Notary Public in and for Tarrant County, Texas

My Commission Expires:

June 1, 1957