M AND ITS PRODUCTS CORPORATION BUILT 4/17/17 PETROLEUM AND ITS PRODUCTS 1290 · FORT WORTH 1, FEXAS P.O. DRAWER B. E. THOMPSON FORT WORTH DIVISION PRODUCTION MANAGER

March 11, 1957

PRODUCTION DIVISION

part or order allow

Re: Application for 320-Acre Non-Standard Gas Proration Unit, Jalmat Gas Pool, Comprising E/2 of Section 27, T-22-S, R-36-E, Lea County, New Mexico

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Gulf Oil Corporation hereby makes application for approval of a non-standard gas proration unit comprising E/2 of Section 27. T-22-S. R-36-E, Lea County, New Mexico, and in support thereof states the follow-Ing facts:

- (1) Gulf Oil Corporation is owner and operator of an oil and gas lease known as its Annie L. Christmas "A" Lease, Lea County, New Mexico, as shown on the attached plat.
- (2) Heretofore the SE/4 of Section 27, T-22-S, R-36-E, Lea County, N.w Mexico, has been designated and is presently being operated as a 160-acre non-standard gas proration unit in the Jalmat Gas Pool, and Gulf Oil Corporation's Annie L. Christmas "A" Well No. 1 is the unit well for this quarter section.
- (3) Heretofore the NE/4 of Section 27, T-22-S, R-36-E, Lea County, New Mexico, has been designated and is presently being operated as a 160-acre non-standard gas proration unit in the Jalmat Gas Pool, and Gulf Oil Corporation's Annie L. Christmas "A" Well No. 2 is the unit well for this quarter section.
- (4) In the interest of increased operating efficiency, conservation of materials and the prevention of economic waste which would result from the drilling of an additional well in the SE/4 of the SE/4 of Section 27, T-22-S, R-36-E, Gulf Oil Corporation desires to recomplete the Annie L. Christmas "A" Well No. 1 as an oil well in the South Eunice Oil Pool, and said well on recompletion will no longer be

Oil Conservation Commission

completed within the vertical limits of the Jalmat Gas Pool.

- (5) 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.
- (6) The Annie L. Christmas "A" Well No. 2, located 660 feet from the East line and 1,980 feet from the North line of Section 27, T-22-S, R-36-E, Lea County, New Mexico, was completed April 3, 1949, as a gas well and is now in the Jalmat Gas Pool. The applicant proposes to use this well as the unit well.
- (7) 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 is productive of gas.
 - (d) The length or width of the proposed unit does not exceed 5280 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.)
- (8) The approval of this application for a 320-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.

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 Oil Conservation Commission

No. R-520, Gulf Oil Corporation requests that the Secretary of the Commission approve the assignment of the SE/4 of Section 27, T-22-S, R-36-E to the Annie L. Christmas "A" Well No. 2 and thereby create a 320-acre non-standard gas proration unit comprising the E/2 of Section 27, T-22-S, R-36-E. We further request that simultaneously with the approval of the 320-acre unit, the Commission transfer any accrued underproduction or overproduction on our Annie L. Christmas "A" Well No. 1 to our Annie L. Christmas "A" Well No. 2.

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Respectfully submitted,

GULF OIL CORPORATION

Division Production Man

cc: Registered Mail - Return Receipt Requested:

Tidewater Associated Oil Company Attn: Mr. O. B. Holloway Box 1404 Houston, Texas

Western Natural Gas 8th Floor, Midland Tower Building Midland, Texas

cc: Oil Conservation Commission P. O. Box 2045 Hobbs, New Mexico 3-11-57

STATE OF TEXAS ð

COUNTY OF TARRANT

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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 <u>March 11</u>, 195<u>7</u>, are true and correct and that copies of such Application were duly deposited on <u>March 13, 1957</u>, 195<u></u>, 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.

R. Sherman

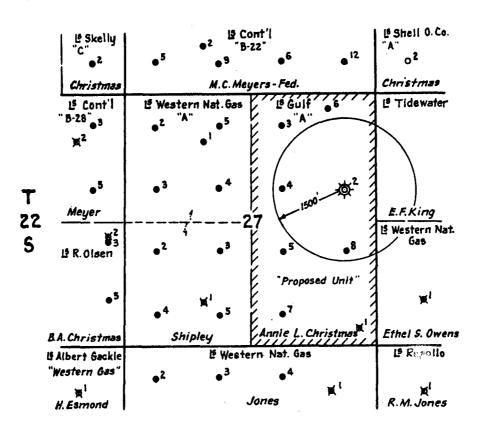
SUBSCRIBED AND SWORN to before me by the said <u>J. R. Sherman</u> this 13th day of March, 1957, to certify which witness my hand and seal of office.

Notary Public in and for Tarrant County, Texas

My Commission Expires:

June 1, 1957





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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 (Jalmat Gas Pool)

Gulf - Annie L. Christmas "A" Lease