

Case 737



PETROLEUM AND ITS PRODUCTS

# GULF OIL CORPORATION

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

B. E. THOMPSON  
DIVISION PRODUCTION MANAGER

FORT WORTH  
PRODUCTION DIVISION

July 22, 1955

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

Gentlemen:

Re: Request for Hearing for Exception  
to Statewide Rule 104, Section 36,  
T-26-S, R-31-E, North Mason (Delaware)  
Pool, Eddy County, New Mexico

Gulf Oil Corporation respectfully submits application for an exception to Rule 104 of the Rules and Regulations of the New Mexico Oil Conservation Commission. It is requested that this matter be placed on the Docket for the next Statewide Hearing.

The following facts are offered in support of this application:

- (1) Gulf Oil Corporation is the owner of the oil and gas lease known as the Eddy-State "AG" Lease, consisting of approximately 260 acres, more or less, in Section 36, T-26-S, R-31-E, Eddy County, New Mexico.
- (2) Eddy-State "AG" Wells Nos. 1 and 2 have been completed by applicant as oil producers in Section 36, T-26-S, R-31-E, Eddy County, New Mexico, as shown on the attached plat. These wells are located as follows:
  - (a) Well No. 1 - 660 feet south of the north line and 660 feet east of the west line.
  - (b) Well No. 2 - 660 feet south of the north line and 1650 feet east of the west line.
- (3) Because of the size and shape of said Section 36, it is impossible to completely develop this property on a regular 40-acre unit plan.

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- (4) In this application Gulf Oil Corporation is requesting that the Commission establish for proration purposes a 50-acre proration unit consisting of Lots 3 and 4, each of which contain approximately 25 acres, and grant an allowable thereto in the proportion that 50 acres bears to the standard proration unit. In order to accomplish this, Gulf proposes to drill Eddy-State "AG" Well No. 3, at a location 1338 feet east of the west line and 1757 feet south of the north line of subject section, which will be as near to the center of the proposed 50-acre unit as possible.
- (5) Gulf Oil Corporation is of the opinion that the proration units and the allowables proposed herein are in the interest of conservation and the protection of correlative rights.

Respectfully submitted,

GULF OIL CORPORATION

By: 

Division Production Manager

cc: New Mexico Oil Conservation Commission  
P. O. Box 2045  
Hobbs, New Mexico  
Att'n: Mr. A. L. Porter, Jr.

