



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

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

H. M. BAYER
VICE-PRESIDENT

November 20, 1957

FORT WORTH
PRODUCTION DIVISION

Ex bag 1-7-58

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

Re: Application of Gulf Oil Corporation for Temporary Excep-
tions to the Provisions of Rule 9 of Orders R-520 and
R-586 and Rule 13 of Order R-610 as Amended, Pertaining
to Cancellation of Unproduced Gas Allowables in the
Eumont, Jalmat, Tubb and Blinebry Gas Pools, Lea County,
New Mexico

Gentlemen:

Gulf Oil Corporation herewith makes application for temporary ex-
ceptions to the provisions of Rule 9 of Orders R-520 and R-586 as amended
and to Rule 13 of Order R-610 as amended, for a period of six months from
January 1, 1958, insofar as said rules require cancellation of unproduced
allowables accumulated prior to July 1, 1957. The following facts are of-
fered in support of this application:

- (1) Many Gulf Oil Corporation gas wells which are producing from the defined limits of the above named gas pools are connected to the transmission system of Permian Basin Pipe Line Company.
- (2) During the past several months, Permian Basin Pipe Line Company has been unable to produce the full allowable assigned to the gas wells to which it is connected for the reasons that development of acreage under contract to that company proceeded at a rate in excess of that which had been anticipated and that Permian's facilities for processing gas have not been adequate to handle the volume allowed. These factors resulted in an accumulation of gas allowable subject to cancellation January 1, 1958.
- (3) Permian Basin Pipe Line Company, by contract arrangement with another major gas purchaser together with the expansion of processing facilities, is now capable of taking in excess of current allowables and will be able to make up the accumulated under-production in the near future.

- (4) Applicant is asking that the requested exceptions to the applicable rules referred to above apply to the following Gulf Oil Corporation owned and operated gas wells:

Eumont Pool

Bell-Ramsay St. "C" No. 1, NW/4 of SE/4 of Section 34, T-20-S, R-37-E.

Jalmat Pool

Arnott-Ramsay "E" No. 2, SW/4 of SE/4 of Section 16, T-25-S, R-37-E.

Arnott-Ramsay "E" No. 5, SW/4 of NW/4 of Section 16, T-25-S, R-37-E.

J. R. Holt "A" No. 2, SE/4 of SW/4 of Section 16, T-24-S, R-37-E.

Tubb Pool

✓ Hugh No. 7, NE/4 of NW/4 of Section 14, T-22-S, R-37-E.

suit - in balance

✓ Harry Leonard "E" No. 4, NE/4 of NE/4 of Section 16, T-21-S, R-37-E.

suit - in balance

Blinebry Pool

✓ J. N. Carson "A" No. 4, SW/4 of SE/4 of Section 28, T-21-S, R-37-E.

suit - in balance

H. Leonard "E" No. 4, NE/4 of NE/4 of Section 16, T-21-S, R-37-E.

- (5) Unless the Commission grants the applicant's requests, Gulf Oil Corporation will be deprived of its proportionate share of the reserves underlying the Eumont, Jalmat, Tubb and Blinebry Pools.
- (6) The granting of the requested exceptions to the above referenced rules will not result in waste but will protect correlative rights.

Respectfully submitted,

GULF OIL CORPORATION

By: _____

H. B. Gu

Vice-President

cc: Oil Conservation Commission
State of New Mexico
P. O. Box 2045
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