

Case 1385



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

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

E. HOSFORD
DIVISION PRODUCTION COORDINATORFORT WORTH
PRODUCTION DIVISION

February 4, 1958

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

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Re: Application for an Exception to Rule 309 to Apply to
Gulf Oil Corporation's 640-Acre Arnott-Ramsay "D"
Lease, Eumont Pool, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation hereby makes application for an exception to Rule 309 of the New Mexico Oil Conservation Commission Rules and Regulations in requesting permission to produce more than eight wells into the existing tank battery on Gulf's Arnott-Ramsay "D" Lease in Section 33, T-21-S, R-36-E, Lea County, New Mexico. At this time there are ten wells on subject lease, all of which are oil wells producing from the Eumont Pool. In support of this request, the applicant states the following:

- (1) There is no diversity of royalty ownership under the Arnott-Ramsay "D" Lease which comprises all of Section 33, T-21-S, R-36-E, Lea County, New Mexico.
- (2) That the existing battery, located approximately 1250 feet from the north line and 650 feet from the west line of said Section 33 as shown on the attached plat, is capable of handling the oil production from the 16 wells which may eventually be drilled on subject lease. Ten wells have been completed in the Eumont Pool and Well No. 11 will be started in the near future.
- (3) That the present tank battery will have adequate facilities to permit the taking of all required tests.
- (4) That the granting of this application will result in substantial savings in steel, reduce the cost of operation and maintenance, prevent waste, and protect correlative rights.

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- (5) By copy of this letter of application all offset operators are notified of the requested exception to Rule 309.

Therefore, Gulf Oil Corporation respectfully requests that the New Mexico Oil Conservation Commission set this matter for Examiner Hearing at an early date, and after said hearing grant permission for applicant to utilize the existing battery for storage of production from the ten wells now on the lease, as well as for future Eumont Pool wells which may be drilled on the above described acreage, the maximum to be 16.

Respectfully submitted,

GULF OIL CORPORATION

By E. Hasford
Division Production Coordinator

cc: Oil Conservation Commission
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Hobbs, New Mexico

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