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Gulf Oil Company - U.S.

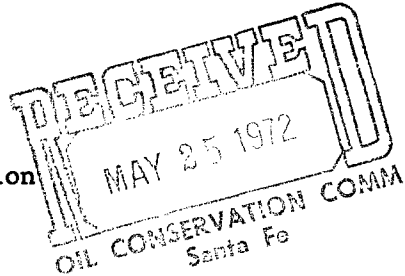
undesignated Bone Springs pool

C. D. Borland
AREA PRODUCTION MANAGER

HOBBS PRODUCTION AREA

May 23, 1972

P. O. Box 670
Hobbs, New Mexico 88240



Mr. A. L. Porter
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation requests your administrative approval for an unorthodox location for Jack Markham et al, Superior-Alves No. 1, located 990' FSL & 660' FWL, Section 19, 19-S, 35-E, which is a plugged and abandoned well that Gulf proposes to re-enter and complete in the undesignated Lea Bone Springs Pool, as our Peoples Security Company "G" No. 1. In support of this application the following facts are submitted:

1. The Lea Bone Springs Pool Rules require that the initial well on any 80-acre unit be located within 150 feet of the center of any quarter-quarter section on which the well is located, necessitating this request.
2. Applicant believes this proposal is economically feasible since this well was drilled to total depth of 9010', and the cost to drill a new well in this Pool would be approximately \$160,000 as compared to approximately \$110,000 to re-enter this well.
3. The completion of this well in the Lea Bone Springs Pool represents reasonable development of this pool.
4. This application is in the interest of conservation and prevention of waste.
5. Copies of this application were mailed to offset operators May 23, 1972.

Thank you for your consideration in this matter and if additional information is needed, please advise.

Yours truly,

BY: *C. D. Borland*
C. D. BORLAND

lwd

cc: Offset Operators
NMOC, Hobbs, N. M.
H. E. Braunig, Jr.



