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MAIN OFFICE
GULF
PETROLEUM AND ITS PRODUCTS
GULF OIL CORPORATION
P.O. BOX 1290 FORT WORTH 1, TEXAS

NSP-226
Due 1/29/56

B. E. THOMPSON
DIVISION PRODUCTION MANAGER

FORT WORTH
PRODUCTION DIVISION

December 21, 1955

Re: Application for 320-Acre
Non-Standard Gas Proration Unit,
Eumont Gas Pool, comprising the
W/2 Section 8, T19S, R37E,
Lea County, New Mexico

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

On October 17, 1955, Mr. Warren W. Mankin presided over a hearing of Case 970 at which Gulf Oil Corporation, John Kelly and The Texas Company requested that a 320-acre non-standard gas proration unit in the Eumont Gas Pool be established in the NE/4 of Section 7 and NW/4 of Section 8, T19S, R37E, Lea County, New Mexico, utilizing Gulf's Elbert Shipp "B" #2 as the unit well. Subsequently, on November 10, 1955, the Commission issued Order R-717 granting the above described non-standard proration unit.)

Gulf intended to recomplete or dual complete one of the remaining wells located in the SW/4 of Section 8, T19S, R37E, in the Eumont Gas Pool; however, after investigating the wells in this quarter section, it has been found impractical due to the mechanical condition of the wells, to carry out the anticipated work.

Now, therefore, Gulf requests that the Oil Conservation Commission cancel Order R-717 creating the non-standard proration unit in the NE/4 of Section 7 and NW/4 of Section 8, T19S, R37E, Lea County, New Mexico. Gulf further states that there has been no production of Eumont Gas from the above described unit and that the well will remain closed in until a new proration unit is established.

Upon cancellation of Order R-717, Gulf hereby makes application for approval of a non-standard gas proration unit comprising the W/2 of Section 8, T19S, R37E, Lea County, New Mexico, and in support thereof states the following facts:

- (1) Gulf Oil Corporation is owner and operator of an oil and gas lease known as its Elbert Shipp "B" Lease, a portion of which is located in the N/2 of SW/4 and S/2 of NW/4 Section 8, T19S, R37E, and Gulf's F. W. Kutter "D" Lease located in the S/2 of

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SW/4, Section 8, T19S, R37E. John M. Kelly is owner and operator of an oil and gas lease located in the NW/4 of NW/4 Section 8, and The Texas Company is owner and operator of an oil and gas lease located in the NE/4 of NW/4 Section 8. The above described acreage comprises the proposed 320-acre proration unit.

- (2) Gulf's Elbert Shipp "B" Well No. 2 located 660 feet from the West line and 1980 feet from the North line of Section 8, T19S, R37E, Lea County, New Mexico, was completed June 7, 1951, in the Monument Oil Pool. On February 25, 1955, this well was plugged back to 3780 feet and recompleted in the vertical limits of the Eumont Gas Pool, being perforated between the intervals of 3550-3590 feet and 3620-3700 feet. The applicant proposes to use this well as the unit well.

*allowable
begin
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- (3) 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 may reasonably be presumed productive of gas.
 - (d) The length or width of the proposed unit does not exceed 5280 feet.
 - (e) By copy of this letter of application all operators owning interests in the section in which the proposed unit is located and all operators within 1500 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.)

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

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Order No. R-520, Gulf Oil Corporation requests that the Secretary of the Commission approve the above described non-standard gas proration unit.

Respectfully submitted,

GULF OIL CORPORATION

By: B. E. Thompson
Division Production Manager

cc: Registered Mail - Return Receipt Requested:

The Texas Company
P. O. Box 1720 ✓
Fort Worth, Texas

John M. Kelly
Box 5671 ✓
Roswell, New Mexico

Continental Oil Company ✓
Box 427
Hobbs, New Mexico

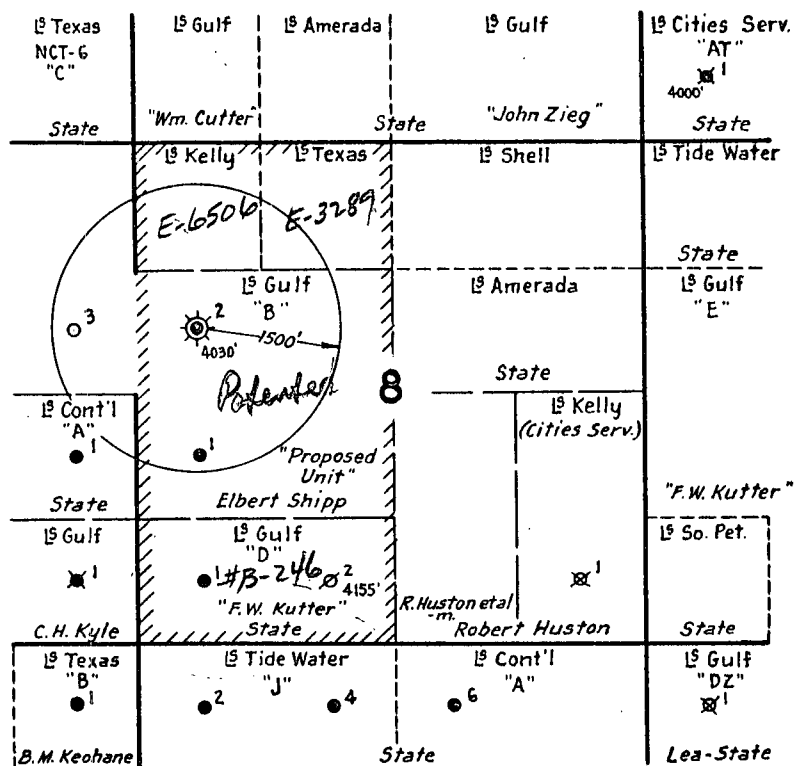
Shell Oil Company ✓
Box 1957
Hobbs, New Mexico

Amerada Petroleum Corporation ✓
P. O. Box 2040
Tulsa, Oklahoma

cc: Oil Conservation Commission
Box 2045
Hobbs, New Mexico

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GULF OIL CORPORATION
FORT WORTH PRODUCTION DIVISION
Scale 1" - 2,000'

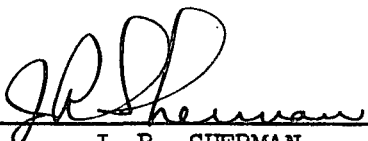
Plat Accompanying Application for
320-Acre Non-Standard Gas Unit
(Eumont Gas Pool)

Gulf - Elbert Shipp 160-acre Lease
Gulf - F. W. Kutter 80-acre Lease
John M. Kelly - 40 acres
The Texas Company - 40 acres

STATE OF TEXAS §


COUNTY OF TARRANT §

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 December 21, 1955, are true and correct and that copies of such Application were duly deposited on December 28, 1955, 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.



J. R. SHERMAN

SUBSCRIBED AND SWORN to before me by the said J. R. Sherman this 28th day of December, 1955, to certify which witness my hand and seal of office.



J. H. King, Jr.
Notary Public in and for Tarrant
County, Texas

My Commission Expires:

June 1, 1957