

MAIN OFFICE OIL CONSERVATION COMMISSION

1956 AUG 20 AM 8:43

BOX 2045
HOBBS, NEW MEXICO

Date August 16, 1956

Ans 9/17/56

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP 311 & 311 A
Proposed NSL

Gentlemen:

I have examined the application dated 8/8/56
for the Gulf Oil Corp. F. W. Kutter "B" #4 28-19--37
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

O.K.---C.R.

O.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Lundy
Engineer



cc - occ MAIN OFFICE OCC

PETROLEUM AND ITS PRODUCTS

NSP-311
NSP-311A
due 9/7/56

GULF OIL CORPORATION

B. E. THOMPSON
DIVISION PRODUCTION MANAGER

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

FORT WORTH
PRODUCTION DIVISION

August 3, 1956

Re: Application for 320-Acre
Gulf-Amerada-Sinclair-Great
Western Non-Standard Gas
Proration Unit, Eumont Gas
Pool, comprising the W/2
of Section 28, T-19-S,
R-37-E, Lea County, New Mexico

NSP 311 → 120 ac Now
NSP-311A → 320 ac
offer Comm.

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

New way
Rule 12

Gentlemen:

Gulf Oil Corporation hereby makes application for approval of a non-standard gas proration unit comprising the W/2 of Section 28, T-19-S, R-37-E, 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 F. W. Kutter "B" Lease, located in the S/2 and NW/4 NW/4 of Section 28, T-19-S, R-37-E, Lea County, New Mexico. Sinclair Oil & Gas Company is owner and operator of an oil and gas lease known as its Bordages Lease, located in the SW/4 SW/4 and NE/4 NW/4 of Section 28, T-19-S, R-37-E, Lea County, New Mexico. Amerada Petroleum Corporation is the owner and operator of an oil and gas lease known as its State "T" Lease located in the N/2 SW/4 of Section 28, T-19-S, R-37-E, Lea County, New Mexico. Great Western Drilling Company is the owner and operator of an oil and gas lease known as its F. C. Schmidt Lease, located in the SE/4 SW/4 of Section 28, T-19-S, R-37-E, Lea County, New Mexico. The Gulf, Amerada, Sinclair and Great Western leases comprise the 320 acres above described.
- (2) Gulf Oil Corporation proposes that the above described acreage be established as a non-standard 320-acre gas proration unit in exception to Rule 5 (a) of Order R-520.
- (3) Gulf Oil Corporation is the owner and operator of the F. W. Kutter "B" Well No. 4, located 1,980 feet from the

state
&
extended
leases

Gulf's
all
state

North line and 1,650 feet from the West line of Section 28, T-19-S, R-37-E, Lea County, New Mexico, which was completed July 22, 1956, as a gas-oil dual well. This well is in the Eumont Gas Pool and Monument oil Pool.

- (4) Gulf Oil Corporation, Amerada Petroleum Corporation, Sinclair Oil & Gas Company and Great Western Drilling Company are in the process of preparing agreements for the communitization of their respective leases in the above described half section and for the operation of said half section after communitization as a non-standard 320-acre gas proration unit. Gulf's above described F. W. Kutter "B" No. 4 is to be the unit well for the proposed 320-acre unit.
- (5) In order to obtain a pipe line connection and gas allowable for Gulf's F. W. Kutter "B" No. 4, Forms C-104, C-110 and C-128 have been duly filed. Pending the furnishing to the Land Commissioner satisfactory evidence of communitization of Gulf's, Amerada's, Sinclair's and Great Western's acreage in the proposed 320-acre unit and approval of the unit by the Land Commissioner, Gulf desires to produce an 120-acre gas allowable all of which would be attributable to Gulf's 120-acre F. W. Kutter "B" Lease described as the S/2 and NW/4 NW/4 of Section 28, T-19-S, R-37-E, Lea County, New Mexico.
- (6) 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 5,280 feet.
 - (e) By copy of this letter of application, all operators accruing interest in the section in which the proposed unit is located and all operators within 1,500 feet of the proposed unit well are notified by registered mail of the intent of Gulf Oil Corporation,

August 3, 1956

Amerada Petroleum Corporation, Sinclair Oil & Gas Company and Great Western Drilling Company to form the proposed non-standard gas proration unit. (See attached affidavit.)

- (7) The approval of this application for a 320-acre non-standard gas proration unit with the assignment of only a 120-acre allowable to Gulf's F. W. Kutter "B" No. 1 until such time as communitization is completed will, in the opinion of the applicant, prevent waste, protect correlative rights and serve the best interest of conservation.

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 Order No. R-520, Gulf Oil Corporation requests that the Secretary of the Commission approve the above described gas proration unit and issue an administrative order which will authorize the applicant to produce a 120-acre allowable in accordance with applicable pool rules until the date the communitization of the leases in the proposed 320-acre unit has been completed and the Commission authorizes the production of a 320-acre unit allowable.

Respectfully submitted,

GULF OIL CORPORATION

By B.C. Thompson
Division Production Manager

cc: Registered Mail - Return Receipt Requested:

✓ Amerada Petroleum Corporation
Attn: Mr. R. S. Christie
Box 2040
Tulsa, Oklahoma

✓ The Ohio Oil Company
Attn: Mr. D. K. Spellman
Box 552
Midland, Texas

✓ Aztec Oil and Gas Company
Box 847
Hobbs, New Mexico

✓ Sinclair Oil & Gas Company
Box 1470
Hobbs, New Mexico

✓ Great Western Drilling Company
509 N. Loraine
Fidelity Union Building
Midland, Texas

cc: Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Land Commissioner E. S. Walker
P. O. Box 871
Santa Fe, New Mexico

STATE OF TEXAS |

COUNTY OF TARRANT |

BEFORE ME, the undersigned authority, on this day personally appeared J. R. Sherman 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 August 3, 1956, 1956, are true and correct and that copies of such Application were duly deposited on August 6, 1956, 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 6th day of August, 1956, to certify which witness my hand and seal of office.

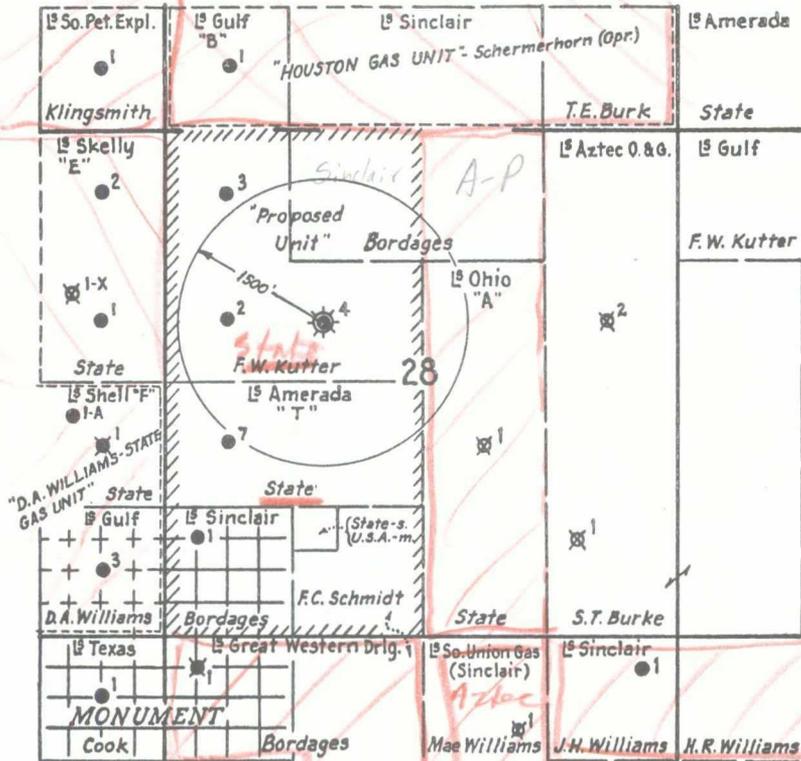
J. H. King, Jr.
Notary Public in and for Tarrant
County, Texas

My Commission Expires:

June 1, 1957

R 37 E

T
19
S



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 - F. W. Kutter "B" Lease