

New Mexico Oil Conservation Commission
125 Mabry Hall
Capitol Building
Santa Fe, New Mexico

APPLICATION OF GULF OIL CORPORATION FOR PERMIT
TO DIRECTIONALLY DRILL ITS LILLIE NO. 2 WELL,
LOCATED IN THE NORTHWEST QUARTER (NW/4) OF SEC-
TION 23, T-24-S, R-37-E, LEA COUNTY, NEW MEXICO

Gentlemen:

Gulf Oil Corporation is the owner of an oil and gas lease executed by Lillie B. Knight and others covering the Northwest Quarter (NW/4) of Section 23, T-24-S, R-37-E, Lea County, New Mexico.

Gulf Oil Corporation is presently drilling a well designated as Lillie No. 2, located 750 feet South of the North line and 560 feet East of the West line of Section 23, T-24-S, R-37-E, Lea County, New Mexico; this well is in a new field which is undesignated; it topped the Silurian Limestone at 8243 feet, datum -5012 feet, being 262 feet lower than Gulf Oil Corporation's Lillie No. 1 Well, which is located 241 feet to the Northwest of its Lillie No. 2 Well.

The surface location of Lillie No. 1 is 241 feet N 81° 43' West of the surface location of Lillie No. 2. In an effort to reach the Silurian pay zone at indicated productive depth encountered in Lillie No. 1, Gulf Oil Corporation plans to directionally drill Lillie No. 2 so that the bottom of Lillie No. 2 will be at a vertical depth 8094 feet below rotary table and located 215 feet from the surface location of Lillie No. 2 in a direction N 81° 43' West. The bottom of the hole will be in a position equivalent to a surface location of 662.3 feet South of the North line and 329.5 feet East of the West line of Section 23, T-24-S, R-37-E, Lea County, New Mexico.

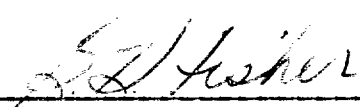
In compliance with the provisions of Rule 111, DEVIATION TESTS, of the New Mexico Oil Conservation Commission, Gulf Oil Corporation files this its application for a permit to directionally drill and requests that the Commission give notice of such application and set it for hearing; that upon hearing the Commission authorize Gulf Oil Corporation to set a whipstock in its Lillie No. 2 at a depth of approximately 6700 feet and to proceed with the directional drilling of such well following the pre-determined direction hereinabove outlined.

A plat showing location of Gulf Oil Corporation's Lillie No. 1 and of its Lillie No. 2 now drilling is attached.

Respectfully submitted,

GULF OIL CORPORATION

By


Attorney-in-Fact

July 9, 1953
Fort Worth, Texas