



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

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

F. J. ADAMS
VICE-PRESIDENT

October 1, 1953

FORT WORTH
PRODUCTION DIVISION

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

Re: Case 565, Application Of Gulf
~~Oil Corporation~~ For Permission
To Directionally Drill Its Lillie
No. 2 Well, Located In The NW/4
Section 23, T-24-S, R-37-E, Lea
County, New Mexico

Gentlemen:

In compliance with provisions of Rule 111 of the New Mexico Oil Conservation Commission, Gulf Oil Corporation filed its application for permission to directionally drill its Lillie Well No. 2 so as to complete as an oil producer in the Silurian pay zone at a depth indicated to be productive in Gulf's Lillie No. 1 Well.

As requested, the Commission set this application for hearing as Case 565. The well was drilled to a total depth of 8,300 feet and bottomed at a point equivalent to a surface location of 749.47 feet south of the north line and 346.49 feet east of the west line of Section 23, T-24-S, R-37-E. The actual vertical depth is 8274.9 feet and located 213.51 feet west and 10.53 feet north of the surface location of Lillie No. 2. Since we were unable to make a Silurian producer, we propose to plug back above the whipstock and test an upper horizon. Gulf Oil Corporation, therefore, requests that Case 565 be dismissed and withdrawn from the docket.

If you desire further information in this matter, please advise.

Yours very truly,

F. J. ADAMS

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 3, 1953

C
O
P
Y
Gulf Oil Corporation
P. O. Drawer 1290
Ft. Worth, Texas

Attention: Mr. G. H. Fisher, Vice President

Gentlemen:

Your application for approval of deviation of your Lillie Well No. 2 has been set up as Case 565 and scheduled for hearing before the Commission here in Santa Fe at 9 a.m. on August 20, 1953.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 21, 1953

Mr. Jack Campbell, Attorney
Atwood, Malone and Campbell
ROSWELL, NEW MEXICO

Dear Mr. Campbell:

RE: Case 565, Order R-384

Enclosed you will find two signed copies of Order R-384,
the dismissal order issued by the Commission in Case 565
upon request of the applicant, Gulf Oil Corporation.

Very truly yours,

WBM:nr

W. B. Macey,
Chief Engineer

C
O
P
Y

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

CASE 565: In the matter of the application of Gulf Oil Corporation for permission to deviate from vertical its Lillie No. 2 Well, presently drilling at a surface location 750' south of the north line and 560' east of the west line, Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico; this directional drilling contemplated because of geologic trends established in obtaining production from Gulf's Lillie No. 1 Well 241 feet to the northwest; and to result, if effected, in the well's being bottomed at a point equivalent to a surface location 662.3 feet south of the north line and 329.5 feet east of the west line, Section 23, Township 24 South, Range 37 East, NMPM.

TRANSCRIPT OF HEARING

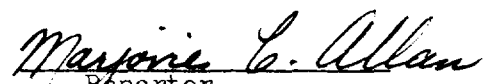
OCTOBER 15th, 1953

BEFORE: Honorable Ed. L. Mechem, Governor
Honorable E. S. Walker, Land Commissioner
Honorable R. R. Spurrier, Director, OCC

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the within transcript of proceedings before the Oil Conservation Commission is a true record of the same to the best of my knowledge, skill and ability.

DONE at Santa Fe, N.M., this 9th day of November, 1953.


Reporter

SWORN TO before me this 9th day of November, 1953


Notary Public

My Commission Expires:

CASE 565:

In the matter of the application of Gulf Oil Corporation for permission to deviate from vertical its Lillie No. 2 Well, presently drilling at a surface location 750' south of the north line and 560' east of the west line, Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico; this directional drilling contemplated because of geologic trends established in obtaining production from Gulf's Lillie No. 1 Well 241 feet to the northwest; and to result, if effected, in the well's being bottomed at a point equivalent to a surface location 662.3 feet south of the north line and 329.5 feet east of the west line, Section 23, Township 24 South, Range 37 East, NMPM.

COM. SPURRIER: The meeting will come to order. In case some of you are interested and have dockets available, the next case on the docket is 565. If you will just mark the cases as I call the number, then they will be in the same order as the Commission's is. The next number is 4, applying to Case 579, then 6, then 7, then 5, then 3, then 8, then 9 and the rest of the cases are consecutive, 10, 11, 12 and 13. The next cases is 565.

(Mr. Graham reads the advertisement of the case.)

JACK M. CAMPBELL

having been first duly sworn testified as follows:

I am Jack M. Campbell, of Roswell, New Mexico, who is appearing here for the Gulf Oil Corporation. I would like to offer in evidence in this case a letter dated October 11th, 1953 from the Gulf

Oil Corporation to the Commission, advising the Commission that Gulf was unable to obtain production at the lower depth and that they are undertaking to complete the well at an upper horizon, above the whipstock. Therefore, they ask that the case be dismissed and withdrawn from the docket.

COM. SPURRIER: Is there any objection to Gulf's Motion?

(No objection indicated.)

COM. SPURRIER: Without objection, the case will be dismissed.
