

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
GULF OIL CORPORATION FOR AN EXCEPTION
TO PARAGRAPH TWO, SUB-SECTION 2 OF
ORDER NO. R-264 CONCERNING THE VERTICAL
LIMITS OF THE LANGMAT GAS POOL, LEA COUNTY,
NEW MEXICO, AS IT AFFECTS APPLICANT'S
W. A. RAMSAY WELL NO. 1, LOCATED IN THE
SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ SECTION 34, TOWNSHIP 21 SOUTH,
RANGE 36 EAST; AND FOR THE APPROVAL AND
ASSIGNMENT OF FOUR STANDARD 160-ACRE
PRORATION UNITS TO SAID WELL, AND THE
GRANTING OF PROPER ALLOWABLE THERETO;
SAID UNITS BEING THE SW $\frac{1}{4}$ OF SECTION 34,
AND THE SE $\frac{1}{4}$ OF SECTION 33, OF TOWNSHIP 21
SOUTH, RANGE 36 EAST; AND THE NW $\frac{1}{4}$ OF
SECTION 3 AND THE NE $\frac{1}{4}$ OF SECTION 4 OF
TOWNSHIP 22 SOUTH, RANGE 36 EAST.

Case No. 666

APPLICATION

COMES NOW Applicant Gulf Oil Corporation by its
attorneys and states:

1. It is the owner and operator of the W. A. Ramsay-
State No. 1 well located in the center of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of
Section 34, Township 21 South, Range 36 East, Lea County, New
Mexico.

2. Its W. A. Ramsay-State No. 1 well, though completed
to a depth below the vertical limits of the Langmat Gas Pool,
is capable of production of gas only from a producing formation
now defined by the Commission as within the Langmat Gas Pool.

3. Its W. A. Ramsay-State No. 1 well is situated upon
lands owned by the State of New Mexico, and the State of New Mexico
is the sole royalty owner thereunder.

4. It owns the leases on all offsetting standard
proration units and the State of New Mexico is the lessor and
sole royalty owner under such offsetting acreage.

5. Its W. A. Ramsay-State No. 1 well is capable of
draining the proposed 640 acre unit area and is capable of
delivering four times the allowable for a standard proration unit
in the Langmat Gas Pool and production at this rate will not
result in waste.

6. The granting of this Application will avoid the
drilling of unnecessary wells and will prevent economic waste.

WHEREFORE, Applicant requests the Commission to issue
its order providing as follows:

1. An exception to Section II (2) of Order No. R-264 in Case No. 245.

2. An exception to Rule 7 (a) of Order No. R-369-A in Case No. 583, and the approval of the formation of a 640 acre gas proration unit consisting of the SW $\frac{1}{4}$ of Section 34, Township 21 South, Range 36 East; SE $\frac{1}{4}$ of Section 33, Township 21 South, Range 36 East; NE $\frac{1}{4}$ of Section 4, Township 22 South, Range 36 East; NW $\frac{1}{4}$ of Section 3, Township 22 South, Range 36 East, and the designation of the Applicant's W. A. Ramsay-State No. 1 well as the producing well for such 640 unit.

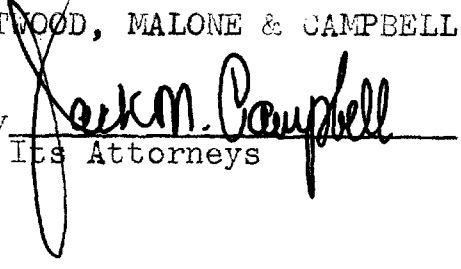
3. The granting of four times the standard 160 acre gas proration unit allowable to Applicant's W. A. Ramsay-State No. 1 well, retroactive to January 1, 1954.

Respectfully submitted,

GULF OIL CORPORATION

By ATWOOD, MALONE & CAMPBELL

By


Its Attorneys