

STATE OF TEXAS |

COUNTY OF TARRANT |

BEFORE ME, the undersigned authority, on this day personally appeared T. W. RHOADS 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 May 11, 1955, are true and correct and that copies of such Application were duly deposited on May 12, 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.

T. W. Rhoads

T. W. RHOADS

SUBSCRIBED AND SWORN to before me by the said T. W. Rhoads this 12 day of May, 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, 1955

Case 918

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

for Mr. Macey

DATE 5/18/55

MR. W. B. MACEY
OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

RE:
PROPOSED NSP 151

PROPOSED NSL

Dear Mr. Macey:

I have examined the application dated 5/11

for the Gulf Oil Corp. Ramsey E #2-0 16-25-37
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

The #3 well is a Yates oil well and southward the Leonard Lanehart wells
are also in the Yates. Recommend no more than 240 acres- RFM

Deduct oil acreage to prevent simultaneous dedication of acreage
producing from same zone. SJS

Yours very truly,

OIL CONSERVATION COMMISSION

320 acres
S/2 Sec. 16

Stanley J. Stanley
Engineer

hs

Case 918

Leonard Oil Company

BOX 708

Roswell, New Mexico

May 17, 1955

ROBERT J. LEONARD
PRESIDENT

REGISTERED
Return Receipt Requested

New Mexico Oil Conservation Commission
Capitol Building
Santa Fe, New Mexico

RE: Application of Gulf Oil Corporation for
non-standard 320-acre gas proration unit
S $\frac{1}{2}$ Section 16-25S-37E, Jalmat Gas Pool,
Lea County, New Mexico

Gentlemen:

We have received a copy of an application dated May 11, 1955 for approval of the above described non-standard gas proration unit.

Leonard Oil Company is the owner of a lease covering the W $\frac{1}{2}$ NE $\frac{1}{4}$ and E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 21-25S-37E. Leonard Oil Company now has a gas well, being its Lanehart #4, situated 990' south of the south line of Section 16, to which well the 160-acre gas allowable is now assigned. Leonard Oil Company hereby objects to the granting of administrative approval for the 320-acre non-standard gas proration unit applied for, for the following reasons:

1. The SW $\frac{1}{4}$ of Section 16 cannot reasonably be presumed to be productive of gas from the Jalmat Gas Pool. The completion and production history of the Gulf wells Nos. 3 and 4 in said SW $\frac{1}{4}$ negative the presence of gas in this quarter section in an amount sufficient to justify the granting of an allowable to it.
2. There is no control to the east of the proposed unit well on which a reasonable presumption of gas production on the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 16 can be based.
3. The granting of a 320-acre unit allowable to the proposed unit well will cause drainage from the lease of Leonard Oil Company, particularly in view of the fact that the proposed unit well is situated 330' closer to the section line than is the gas well of Leonard Oil Company.

New Mexico Oil Conservation Commission
May 17, 1955

Page 2 -

In view of the circumstances the Commission is requested to refuse to grant more than a 160-acre allowable to the Gulf Arnott Ramsay "E" No. 2 well, and to deny the application for a 320-acre non-standard gas unit.

Yours very truly,

LEONARD OIL COMPANY

By 

Robert J. Leonard

RJL/o

cc: Gulf Oil Corporation
Atten: Mr. B. E. Thompson, Division Prod. Mgr
Drawer 1290
Fort Worth 1, Texas

Gulf Oil Corporation
Atten: Mr. E. S. Grear
Drawer 669
Roswell, New Mexico

Argo Oil Corporation
Route 2, Box A-125
Midland, Texas

Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Leonard Oil Company

BOX 708

Roswell, New Mexico

June 2, 1955

ROBERT J. LEONARD
PRESIDENT

Gulf Oil Corporation
Drawer 669
Roswell, New Mexico

ATTENTION: Mr. F. E. Curtis, Jr.

Gentlemen:

We propose to drill a well 660' from the north and east lines of Section 16-258-37E, Lea County, New Mexico, to an approximate depth of 3000'.

Since Gulf owns the ~~W1/4~~ & ~~SE1/4~~ Section 16, we would appreciate your advising if you would be interested in participating in the drilling of this well on the following basis:

- (1) In event it should be completed as a commercial oil well, Leonard Oil Company will bear the entire cost and retain the entire working interest.
- (2) In event it should be completed as a gas well, Gulf would communitize its acreage with Leonard's in order to secure a 160-acre gas unit; the cost of said gas well to be borne proportionately with proceeds from gas sales to be divided accordingly.

Yours very truly,

LEONARD OIL COMPANY

By

Robert J. Leonard

RJL/o



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. DRAWER 669 • ROSWELL, NEW MEXICO

E. S. GREAR
ZONE EXPLORATION MANAGER

R. L. BOSS
ASST. ZONE EXPLORATION MANAGER

June 9, 1955

FORT WORTH
PRODUCTION DIVISION

Leonard Oil Company
P. O. Box 708
Roswell, New Mexico

Attention: Mr. Robert J. Leonard

Gentlemen:

With reference to your letter of June 2 wherein you inquired as to our attitude toward participating in the drilling of a well at the location described as:

Center NE/4 NE/4 Section 16-25S-37E,
Lea County, New Mexico,

this is to advise we would not be interested in such participation. We contemplate working over our No. 1 well located at Center NW/4 NW/4 of this Section which we believe to have good prospects for gas production in the Yates formation. Should this well prove to have sufficient potential, we would, of course, request an allowable for a minimum of 280 acres. Under these circumstances we would thus entertain some proposal from you as to the inclusion of your 40 acres insofar as gas rights are concerned. We have made several trades with other operators under similar conditions where we either gave (if non-operator), or received (if operator) a nominal overriding royalty interest in the gas rights.

If such a proposition would be of interest to you, please so advise and we will attempt to consummate some trade that would prove mutually satisfactory.

Very truly yours,

E. S. Grear

RLB/bce

Gulf Oil Corporation

March 8, 1955

Box 2167

Hobbs, New Mexico

GCR 128933
8-19-54

Gentlemen:

A review of the records for your Arnett-Ramsey "E" 4 16-25-37
Lease Well No. S.T.R.
in the Langlie Mattix Pool, which is listed in the Oil Proration Schedule
with a Gas Oil Ratio in excess of 100,000-1, indicates that this well should
be re-classified as a gas well in the Jalnet Pool. It is our
intention, therefore, to remove this well from the Oil Proration Schedule, effective
April 30th, 1955 and in order that there may be no delay in its being assigned an
allowable on the gas proration schedule, you are hereby instructed to make
application to the Director of the Oil Conservation Commission in Santa Fe for a
non-standard gas proration unit. Upon receipt of an NSP Order you will please
file with this office Form C-110 in quadruplicate showing the change in pool name
and a gas well plat in duplicate showing the acreage dedicated to this well.

This matter should be given your very prompt attention so that there may be
no lapse of time in the transfer of the well from the Oil Schedule to the Gas
Schedule.

Yours very truly,

OIL CONSERVATION COMMISSION

L. G. Stanley

ALP/ho

Copy: OCC-Santa Fe.
Transporter

Engineer District 1.