

CASE 1506:

Application of Gulf Oil Corporation for the creation of two non-standard gas proration units in the Tubb Gas Pool and two non-standard gas proration units in the Blinebry Gas Pool. Applicant, in the above-styled cause, seeks an order authorizing the creation of a 160-acre non-standard gas proration unit in both the Blinebry Gas Pool and in the Tubb Gas Pool, each to comprise the NE/4 SW/4, and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, and to be dedicated to applicant's J. N. Carson "A" Well No. 4, located 554 feet from the South line and 2086 feet from the East line of said Section 28 and J. N. Carson "A" Well No. 6, located 2086 feet from the South and East lines of said Section 28 respectively. Applicant further seeks an order authorizing the creation of a 120-acre non-standard gas proration unit in both the Blinebry Gas Pool and in the Tubb Gas Pool, each to comprise the E/2 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, and to be dedicated to applicant's (J. N. Carson "C" Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28 and J. N. Carson "C" Well No. 3,) located 640 feet from the South line and 660 feet from the East line of said Section 28 respectively, all of the above being in Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1507:

Application of Lea County Drip Company, Inc., for authority to construct and operate two waste oil treating plants. Applicant, in the above-styled cause, seeks an order authorizing it to construct and operate two treating plants in Lea County, New Mexico, to treat waste oil and tank bottoms collected from leases in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico, said plants to be located at the following points:

- (1) Adjacent to the Shell Pipeline Company's Pipeline approximately three miles South of Hobbs, New Mexico.
- (2) Adjacent to the Shell Pipeline Company's Eunice Station approximately five miles West of Eunice, New Mexico.

August 25, 1958

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Case 1506



PETROLEUM AND ITS PRODUCTS

MAIN OFFICE

GULF OIL CORPORATION

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P. O. DRAWER 1290 FORT WORTH 1, TEXAS

August 4, 1958

E. HOSFORD
DIVISION PRODUCTION COORDINATORFORT WORTH
PRODUCTION DIVISIONOil Conservation Commission
State of New Mexico
P. O. Box 871
Santa Fe, New MexicoRe: Cancellation of Two Existing Gas Proration Units
and Creation of Four Additional Units in the Tubb
and Blinebry Gas Pools in Sections 28 and 33,
T-21-S, R-37-E, Lea County, New Mexico*Cancel these existing units*
Gentlemen:

On August 8, 1954, the New Mexico Oil Conservation Commission approved Gulf Oil Corporation's application for a standard 160 acre Tubb Gas Pool Unit consisting of the ~~SW/4~~ *SE/4* of Section 28, T-21-S, R-37-E, Lea County, New Mexico, and dedicated to Gulf's J. N. Carson "C" Well No. 3. On December 1, 1954, the Commission approved Gulf's application for a standard 160 acre Blinebry Gas Pool Unit also consisting of the ~~SW/4~~ *SE/4* of Section 28, T-21-S, R-37-E, and dedicated to J. N. Carson "A" Well No. 4.

Gulf Oil Corporation, in this application, proposes to cancel the above described existing standard gas proration units and in conjunction therewith requests that the following gas proration units be formed and designated:

Establish these units. ✓ (1) A 160 acre proration unit in the Blinebry Gas Pool consisting of the NE/4 of the SW/4 and the W/2 of the SE/4 of Section 28, and the NW/4 of the NE/4 of Section 33, all in T-21-S, R-37-E. The proposed Blinebry Unit well, Gulf's J. N. Carson "A", Well No. 4, is located 554' from the south line and 2086' from the east line of said Section 28. This well is dually completed so as to produce gas from the Blinebry and oil from the Drinkard. Plat No. 1 shows the acreage of the proposed new Blinebry Unit which will be dedicated to Carson "A" No. 4.

(2) A 160 acre proration unit in the Tubb Gas Pool consisting of the NE/4 of the SW/4 and the W/2 of the SE/4 of Section 28, and the NW/4 of the NE/4 of Section 33, all in T-21-S, R-37-E. The proposed Tubb Unit well, J. N. Carson "A" No. 6

*Docket filed
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✓ located 2086' from the south line and 2086' from the east line of Section 28, was recently dually completed so as to produce gas from the Tubb and oil from the Drinkard. Plat No. 2 shows the new proposed Tubb Unit Area which will be dedicated to Carson "A" No. 6. During a flow test of this well on June 2, 1958, the Tubb Gas Zone produced at a maximum rate of 2356 MCF per day with 1300 pound back pressure. Estimated open flow is 5500 MCF per day.

✓ (3) A 120 acre Blinebry Proration Unit consisting of the E/2 of the ~~SW/4~~ ^{SE/4} of Section 28, and the NE/4 of the NE/4 of Section 33 all in T-21-S, R-37-E. The proposed unit well, Gulf's J. N. Carson "C" Well No. 6, located 330' from the south line and 965' from the east line of Section 28 was recently plugged back to 5971' from a total depth of 7500'. During a flow test of this well on July 24, 1958, the Blinebry Zone flowed at a maximum rate of 4540 MCF per day with 1100 pound back pressure. Estimated open flow is 7900 MCF per day. Plat No. 3 shows the proposed new Blinebry unit which will be dedicated to Carson "C" No. 6.

✓ (4) A 120 acre Tubb Unit in the Tubb Gas Pool consisting of the E/2 of the SE/4 of Section 28, and the NE/4 of the NE/4 of Section 33 all in T-21-S, R-37-E. The proposed unit well, Gulf's J. N. Carson "C" Well No. 3 is located 640' from the south line and 660' from the east line of Section 28. This well is dually completed so as to produce gas from the Tubb and oil from the Drinkard. Plat No. 4 shows the proposed new Tubb Unit which will be dedicated to Carson "C" No. 3.

Gulf Oil Corporation has requested approval of this arrangement of dedicated acreage on the above named leases in order to eliminate the necessity of developing wells within the residential section of Eunice, New Mexico. It is respectfully requested that this matter be set for examiner hearing at an early date.

The following facts are offered in support of this application:

(a) Gulf Oil Corporation is the owner and operator of all producing rights below 4000' on the 160 acre J. N. Carson "A" Lease, which consists of the NE/4 of the SW/4 and the W/2 of the SE/4 of Section 28, and the NW/4 of the NE/4 of Section 33 all in T-21-S, R-37-E, Lea County, New Mexico.

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- (b) Gulf Oil Corporation is the owner and operator of all producing rights on the J. N. Carson "C" Lease, which consists of the E/2 of the SE/4 of Section 28, and the NE/4 of the NE/4 of Section 33 all in T-21-S, R-37-E, Lea County, New Mexico.
- (c) Unless the cancellation of existing gas proration units and the creation of additional units is authorized as requested in this application, Gulf Oil Corporation will be deprived of a fair opportunity to recover its just and equitable share of the gas and liquid hydrocarbons in the Blinebry and Tubb Gas Pools. The granting of the relief sought by this application will protect correlative rights and will not cause, but will prevent waste.
- (d) By copy of this letter of application, all operators within 1500' of the proposed unit wells are notified of the intent of Gulf Oil Corporation to form the proposed non-standard gas proration units as described above.

Respectfully submitted,

GULF OIL CORPORATION

By



Division Production Coordinator

cc: Oil Conservation Commission
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Continental Oil Company
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