ULF OIL CORPORATION

P. O. DRAWER 1290 FORT WORTH 1, TEXAS
June 8, 1959

E. HOSFORD
DIVISION PRODUCTION COORDINATOR

FORT WORTH
PRODUCTION DIVISION

Jac 1718

Oil Conservation Commission
State of New Mexico
P. O. Box 871
Santa Fe, New Mexico

Re: Application for an Exception to Rule 309 for Gulf Oil Corporation's B. V. Culp (NCT-A) Lease, Section 19,

T-19-S, R-37-E, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation herewith makes application for an exception to Rule 309(a) of the New Mexico Oil Conservation Commission Rules and Regulations which requires measurement of oil in tanks before such oil is transported from lease. In this case applicant requests permission to install and operate automatic transfer equipment on subject lease.

In support of this request, $\mbox{Gulf Oil Corporation},$ states the following:

- (1) Applicant is the owner and operator of the approximately 278.7-acre B. V. Culp (NCT-A) Lease which consists of the SW/4 of the NW/4 (Lot 2), E/2 of the NW/4 and the NE/4 of Section 19, T-19-S, R-37-E, Lea County, New Mexico.
- (2) There is no diversity of royalty ownership underlying the above described lease.
- (3) Applicant proposes to replace present wooden tank batteries with automatic custody transfer equipment using a dump type or positive displacement type liquid meter and appropriate companion equipment as necessary to measure in barrels the amount of merchantable oil delivered to the pipe line.
- (4) The proposed ACT installation will have adequate facilities to permit the taking of all required tests.

(5) The granting of this application is in the interest of conservation and will protect correlative rights.

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(6) By copy of this letter of application, all offset operators are notified of the requested exception to Rule 309

Gulf Oil Corporation respectfully requests that this matter be set for hearing at an early date.

Respectfully submitted,

GULF OIL CORPORATION

Division Production Coordinator

cc: Oil Conservation Commission P. O. Box 2045 Hobbs, New Mexico

> Amerada Petroleum Corporation P. O. Box 2040 Tulsa, Oklahoma

Continental Oil Company P. O. Box 427 Hobbs, New Mexico

Phillips Petroleum Company P. O. Box 2105 Hobbs, New Mexico

Shell Oil Company P. O. Box 1957 Hobbs, New Mexico

Texaco, Inc. P. O. Box 1270 Midland, Texas

Tidewater Oil Company P. O. Box 1404 Houston, Texas

Gulf Refining Company P. O. Box 4232 Odessa, Texas