

Case 2443

PEARSON-SIBERT OIL CO. OF TEXAS

201 WEST BUILDING

401 NORTH COLORADO ST.

MIDLAND, TEXAS

PHONE MUTUAL 4-4872

October 20, 1961

Mr. A. L. Porter, Jr., Sec.-Director
Oil Conservation Commission
State of New Mexico
P.O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

We are in receipt of a copy of a letter from the Gulf Oil Corporation to the Oil Conservation Commission dated October 3, 1961 in which they request an exception to Rule 5(A) of Order R-1670 to establish an 80-acre gas proration unit in the E/2 of the NE/4 Section 34, T-19-S, R-36-E, Lea County, New Mexico.

The Pearson-Sibert Oil Co. of Texas owns and operates a lease comprising the SW/4 of the SE/4, S/2 of the SW/4, NE/4 of the SW/4 and the SE/4 of the NW/4 of Section 27, T-19-S, R-36-E, Lea County, New Mexico, a part of which is within 1500 feet of the proposed gas producing well. We object to Gulf Oil Corporation's request for the following reasons:

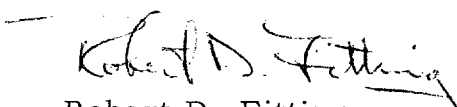
(1) The subject Gulf lease is a structurally high tract and excessive gas production will probably create a differential reservoir pressure, whereby the oil in place will be moved across lease lines.

(2) 80-acre gas units are considered to be too small for this reservoir and if many such units are allowed, the reservoir pressure would be rapidly depleted, causing premature well abandonment.

(3) A secondary oil recovery project by water flood is under study for this area. Under any type of secondary recovery program, the remaining gas in solution will tend to maintain adequate oil viscosity and fluid mobility to permit efficient flooding and prevent waste.

Please advise us what additional steps are necessary to further oppose this request.

Yours very truly,


Robert D. Fitting

RDF:me
cc: Gulf Oil Corp.
Roswell New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 3443

October 23, 1961

Gulf Oil Corporation
Roswell Production District
P. O. Drawer 1938
Roswell, New Mexico

Attention: Mr. W. A. Shellshear,
District Manager

Gentlemen:

Reference is made to your application, dated October 3, 1961, for administrative approval of an 80-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the E/2 NE/4 of Section 34, Township 19 South, Range 36 East, Lea County, New Mexico.

In view of the fact that Pearson-Sibert Oil Company of Texas has objected to your request, the matter is being set for hearing on November 22, 1961, before one of the Commission's Examiners.

Should the date set for hearing be unsatisfactory, please advise.

Very truly yours,

J. E. WHITFIELD
Legal Assistant

JEW/esr

cc: Pearson-Sibert Oil Company of Texas
201 West Building
Midland, Texas

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 2443

October 23, 1961

Gulf Oil Corporation
Roswell Production District
P. O. Drawer 1938
Roswell, New Mexico

Attention: Mr. W. A. Shellshear

Gentlemen:

Reference is made to my letter, dated October 23, 1961, concerning your application for an 80-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the E/2 NE/4 of Section 34, Township 19 South, Range 36 East, Lea County, New Mexico.

The date of the hearing of your application was in error, and I wish to inform you that the matter is being set for hearing on November 29, 1961, before one of the Commission's Examiners.

If I can be of any further assistance in this matter, please advise.

Very truly yours,

J. E. WHITFIELD
Legal Assistant

*Received
11/16/61
JEW/esr*
JEW/esr

cc: Pearson-Sibert Oil Co. of Texas
201 West Building
Midland, Texas

PEARSON-SIBERT OIL CO. OF TEXAS

201 WEST BUILDING

401 NORTH COLORADO ST.

MIDLAND, TEXAS

PHONE MUTUAL 4-4872

December 1, 1961

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

Attention: Mr. Daniel S. Nutter

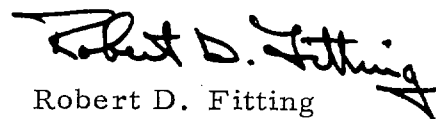
Gentlemen:

Re: Case #2443

A review has been made of the facts presented by the Gulf Oil Corporation in Case #2443 concerning an 80-acre non-standard gas proration unit. The Pearson-Sibert Oil Co. of Texas withdraws its objection to the establishment of an 80-acre gas unit surrounding the Gulf Oil Corporation J. W. Smith #2, a gas well located 660' from the North and East Lines of Section 34, T-19-S, R-36-E, Lea County, New Mexico.

It is sincerely hoped that the mutual plans of the Operators can be so promoted that a secondary oil recovery project can shortly be commenced, whereby the oil producing portions of this reservoir can be protected from undue fluid migration.

Sincerely yours,


Robert D. Fitting

RDF:me

cc: Gulf Oil Corporation
Attn: Mr. W. A. Shellshear
Drawer 1938
Roswell, New Mexico

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. A. Shellshear
DISTRICT MANAGER
F. O. Mortlock
DISTRICT EXPLORATION
MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
H. C. Vivian
DISTRICT SERVICES MANAGER

November 30, 1961

P. O. Drawer 1938
Roswell, New Mexico

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Case No. 2443
Examiner Hearing
November 29, 1961

Gentlemen:

In compliance with Mr. Nutter's request in the subject case, the following tabulation shows the results of annual gas-oil ratio tests conducted on Gulf Oil Corporation's J. W. Smith Well No. 2, NE/4 NE/4 Section 34, Township 19 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico.

<u>Test Date</u>	<u>GOR</u>
May, 1957	16,500
May, 1958	29,000
June, 1959	94,000
May, 1960	45,000
May, 1961	113,000

Should you desire additional information, please advise.

Yours very truly,



W. A. Shellshear

JHH:ers



State of New Mexico
Oil Conservation Commission

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

December 21, 1961

Re: Case No. 2443
Order No. R-2147
Applicant:
Gulf Oil Corporation

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

Carbon copy of order also sent to:

OTHER _____