

Gulf Oil Company - U.S.

EXPLORATION AND PRODUCTION DEPARTMENT
MIDLAND DISTRICT

January 11, 1972

P. O. Drawer 1150
Midland, Texas 79701

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DISTRICT MANAGER
J. A. Hord
DISTRICT EXPLORATION
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DISTRICT PRODUCTION
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H. E. Braunig, Jr.
DISTRICT PRODUCTION
MANAGER
M. B. Moseley
DISTRICT SERVICES MANAGER

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OIL CONSERVATION COMM.
HOBBS, N. M.

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Re: Application of Gulf Oil Corporation
for an Unorthodox Oil Well Location,
Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests administrative approval, as provided under Section F of Rule 104, for an unorthodox well location allowing Gulf to re-enter its Graham State (NCT-A) Well No. 5 for an attempted completion in the Hobbs (G-SA) oil pool. Well No. 5 is located in Unit H in the SE/4 of the NE/4 of Section 24, T-18-S, R-37-E, which is the same proration unit for the Hobbs (G-SA) pool dedicated to Gulf's Graham State (NCT-A) Well No. 1. However, Well No. 5 is located approximately 542 feet northwest of Well No. 1, thus providing the possibility of more complete drainage. The applicant proposes to dedicate the said 40-acre proration unit to both wells and to produce any proportion of the 40-acre proration unit allowable from either well at the applicant's discretion.

In support of this application the following information is offered:

- (1) Gulf Oil Corporation is the owner and operator of the Graham State (NCT-A) Lease covering, among other lands, all of the NE/4 of Section 24, T-18-S, R-37-E, Lea County, New Mexico.
- (2) Graham State (NCT-A) Well No. 5, located 1980' from the north line and 760' from the east line, Section 24, T-18-S, R-37-E, Lea County, New Mexico, was originally drilled to a total depth of 6107' in May, 1969. After extensive testing of the Blinberry and Paddock formations, the well was temporarily abandoned.



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- (3) Graham State (NCT-A) Well No. 1, located 2310' from the north line and 330' from the east line of Section 24, T-18-S, R-37-E, Lea County, New Mexico, was originally drilled in September, 1930 to a total depth of 4225' and completed in the interval 4194' to 4225' (Hobbs Pool). The well is currently producing 50 barrels oil and 199 barrels water per day.
- (4) The current unit allowables would permit additional oil to be produced from the Graham State (NCT-A) Well No. 5.
- (5) The approval of this application is in the interest of providing for more efficient drainage of the SE/4 of the NE/4 of Section 24, thereby preventing waste.
- (6) The offset operators on the attached list have been furnished a copy of this application and have been asked if they have no objection to the granting of this application to execute a waiver so stating. We are furnishing each offset operator three copies of a suggested waiver and are asking that they furnish one executed copy to the Commission in Santa Fe, retain one copy for their file, and return one copy to Gulf.

Respectfully submitted,

GULF OIL CORPORATION

By: H. E. Braunig, Jr.
H. E. BRAUNIG, JR.

ROB:mn
Attachments



cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

GULF OIL CORPORATION
GRAHAM STATE (NCT-A) LEASE
SECTION 24, T-18-S, R-37-E
LEA COUNTY, NEW MEXICO

OFFSET OPERATORS

Amerada Hess Corporation
P. O. Box 817
Seminole, Texas 79360

Samedan Oil Corporation
2207 Wilco Building
Midland, Texas 79701

Cities Service Oil Company
P. O. Box 69
Hobbs, New Mexico 88240

Shell Oil Company
P. O. Box 1509
Shell Building
Midland, Texas 79701

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Texas Pacific Oil Company, Inc.
P. O. Box 1069
Hobbs, New Mexico 88240

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Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that the undersigned has been given due notice that Gulf Oil Corporation has made application for administrative approval under provisions of Section F of Rule 104 for an unorthodox well location allowing Gulf to re-enter its Graham State (NCT-A) Well No. 5 for an attempted completion in the Hobbs (G-SA) oil pool.

We hereby waive any objection to the granting of this application for the above well, located:

1980' from the North line and
760' from the East line, Section
24, T-18-S, R-37-E, Lea County,
New Mexico.

Executed this _____ day of _____, 1972.

Yours very truly,

By: _____