DX-279

GULF OIL CORPORATION
FORT WORTH PRODUCTION DIVISION
P. O. BOX 2167
Hobbs, New Mexico

February 23, 1956

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

Re: Application to Dually Complete Gulf Oil Corporation's J. W. Smith No. 5 as a Gas-Oil Dual in the Eumont Pool

Gentlemen:

By this letter of application, Gulf Oil Corporation wishes to state the following:

(a) That Gulf Oil Corporation's J. W. Smith No. 5, located in the C of NW/4 NE/4 of Section 34-19S-36E, Lea County, New Mexico, is to be completed at an approximate total depth of 4,000'. The attached Exhibit "A" shows the location of this well on the Gulf Oil Corporation's J. W. Smith Lease together with the location of all offset wells. The attached Exhibit "B" shows a diagrammatic sketch of the proposed dual completion.

(b) That subject well will have 7" casing set at approximately 3,980' and cemented with sufficient cement to isolate the salt section. The well is to be completed as an oil well producing from the open hole interval from 3,980-4,000' in the Penrose section of the Queen formation in the Eumont Oil Pool.

(c) That the applicant proposes to dually complete the well in the following manner:

1. Perforate the 7" casing within the approximate interval of 3,630-3,750' in the Knight section of the Queen formation in the Eumont Gas Pool.

2. Set production type packer below these perforations at approximately 3,930' to separate the two pay zones.

3. Produce the Eumont Pool oil through the tubing and the Eumont gas through the tubing-casing annulus.

(d) That the granting of this application for permission to produce the well as a dual completion with gas from the Eumont and oil from the Eumont is in the interest of conservation and the protection of correlative rights.

(e) That the applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of production from the two pay zones.

(f) That the manner and method of the proposed dual completion is mechanically feasible and practical.