

Post Office Box 68
Hobbs, New Mexico

December 29, 1954

FILE: LMS-451-401

SUBJECT: Application For Exception To
Rule 2 and 5(a) Order No. R-520
Stanolind Oil and Gas Company
O. J. Gillully "B" No. 4, Eumont
Field

Mr. W. S. Macey
New Mexico Oil
Conservation Commission (3)
Box 871
Santa Fe, New Mexico

Dear Sir:

Under the provisions of Commission Order No. R-520, Rules 3 and 5(b), delegating the Secretary of the Commission authority to grant exceptions to the requirements of Rule No. 2 and No. 5(a) without notice and hearing for an unorthodox location and non-standard gas proration unit, respectively, Stanolind Oil and Gas Company hereby applies for an exception to the aforementioned two rules for O. J. Gillully "B" No. 4, Eumont Field.

In support of the above application, the following data are furnished:

O. J. Gillully "B" No. 4 is located 340' from the North line and 340' from the West line of Section 22, T-20-S, R-37-E. It was originally completed on June 16, 1939, as a Monument Field oil well for an initial potential of 125 BOPD from Grayburg interval 3766 - 3854. Application to dually complete the well for gas in the Eumont Field was made on March 1, 1954, and was approved on March 15, 1954, by Order No. DC-20. Application to effect the dual completion was made by USGS Form 9-331a, dated March 1, 1954, and was approved March 1, 1954. Subsequently, various intervals were perforated from 2630 to 3550 opposite the Yates-Seven Rivers-Queen section. Production packer was set at 3660 to effect the dual completion, after which the oil zone tested 13 BOPD plus 1 BW and the gas zone tested 4858 MCFPD against 900 psig, on March 17 & 19, 1954, respectively. On August 2,