

DL - 303
1/28/11

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Re: Application to Dually Complete
Gulf Oil Corporation's J. H.
Day No. 1, Jalmat Gas Pool and
Jalmat Oil Pool, Lea County,
New Mexico

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

(b) That subject well has 7" casing set at 3762' and cemented with 200 sacks of cement. The well is an oil well producing from the open hole interval from 3762-3831' from the Seven Rivers formation in the Jalmat Pool.

1. Perforate the 7" casing within the approximate intervals of 3400-3650' in the Yates formation in the Jalmat Gas Pool.
2. Set production type packer below these perforations at approximately 3750' to separate the two pay zones.
3. Produce the Jalmat Pool oil through the tubing and the Jalmat gas through the tubing-casing annulus.

(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.