

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

August 3, 1977

P. O. Box 670
Hobbs, New Mexico 88240

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation respectfully requests your Administrative approval to drill a development well in the Drinkard Pool at an unorthodox location. It is proposed to drill Central Drinkard Unit Well No. 423, located 1305' from the South line and 2525' from the West line of Section 28, Township 21-S, Range 37, East, Lea County, New Mexico as shown on the attached plat. The following facts are submitted in support of this application.

1. Commission Order No. R-5030 established procedures for completing additional Central Drinkard wells as a result of a Hearing held May 14, 1975.

2. This unorthodox location is necessitated by reservoir considerations. In order to proceed with development of the Upper Drinkard gas pay, to prevent drainage of the Unit area by offsetting wells and avoid interference with the existing waterflood of the oil zone, which is necessary for the prevention of waste, this well must be located as shown on the attached plat.

3. This location is not closer than the standard location distance of 330' to the Unit boundary.

4. Commission forms C-101 and C-102 have been submitted to the Hobbs District Office of the New Mexico Oil Conservation Commission.

Yours truly,

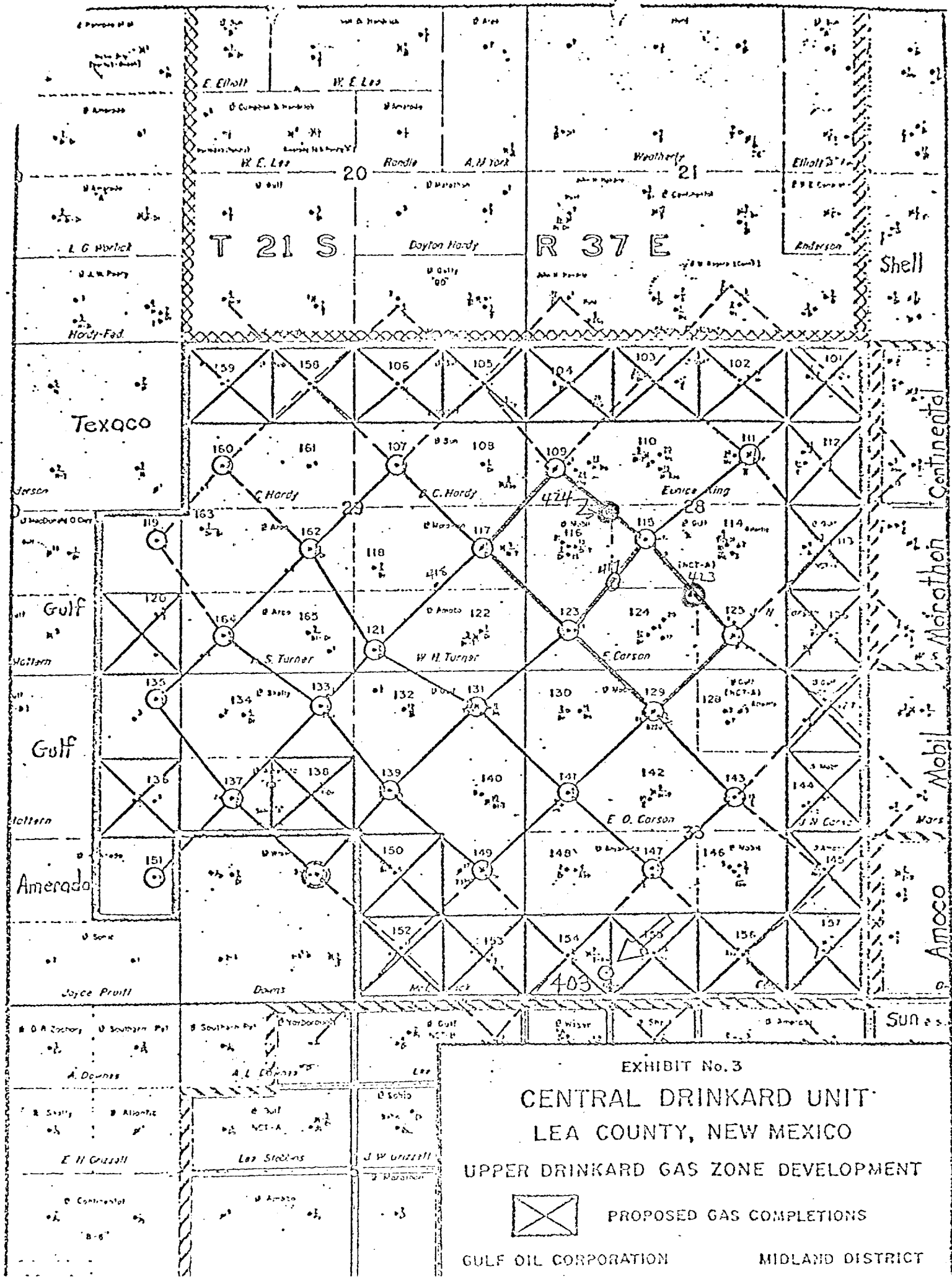
By: D. F. Berlin

C. D. BORLAND

DTB:ldw
cc: NMOCC, Hobbs
CFK Midland



A DIVISION OF GULF OIL CORPORATION



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