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GULF OIL CORPORATION FORT WORTH PRODUCTION DIVISION P. O. BOX 2167 HOBBS, NEW MEXICO

February 8, 1955

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

> RE: Application for <u>exception</u> to Paragraph 1(b) of Oil Conservation Commission Rule No. 502 for S. E. Felton No. 1, Eunice Pool, Lea County, New Mexico

Gentlemen:

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

(a) That the Gulf Oil Corporation's S. E. Felton No. 1, located in SE/4 SE/4 Section 28-21S-36E, was completed October 30, 1937, at a total depth of 3885'. The oil string $5\frac{1}{2}$ " LW casing is set at 3658' and was cemented with 150 sacks of cement. The cement top behind $5\frac{1}{2}$ " casing by temperature survey is at 2850', 75' above the base of the salt section.

(b) That subject well was completed for an initial potential of 396 barrels of oil and no water. Water free production was obtained until May 21, 1939.

(c) That analysis of numerous water samples obtained from subject well shows the water to be characteristic of formation water of the Eunice Pool.

(d) In view of these analyses, it is believed, in good faith, that water is from the producing formation of the Eunice Pool.

(e) The producing characteristics of subject well are such that oil production frequently exceeds the permissible production rate of 125 percent of pool allowable.

(f) Producing the well in this manner is necessary to allow the well to unload a sufficient volume of water to obtain oil production.

By this application, the Gulf Oil Corporation requests that an exception to Paragraph 1(b) of the New Mexico Oil Conservation Commission Rule No. 502 be granted for applicant's S. E. Felton No. 1.

