GULF OIL CORPORATION FORTEWORTH PRODUCTION DIVISION P. 0. BOX 2167

Hobbs, New Mexico

DC-300 Qui 1,1116

New Mexico Oil Conservation Commission P. 0. Box 871 Santa Fe, New Mexico

Re: Application to Dually Complete Gulf No. 14, Queen Oil Well in Undesignated Pool and Jalmat Gas Pool, Lea County, New Mexico

Gentlemen:

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

- (a) That Gulf Oil Corporation's W. A. Ramsay "A" No. 14, located in the C SE/4 NW/4 of Section 34-21S-36E, was completed 6-30-54 at a plugged back depth of 3675'. The attached Exhibit "A" shows the location of this well on the Gulf Oil Corporation's W. A. Ramsay "A" 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 has 7" casing set at 3034' and cemented with 1475 sacks of cement. The well is a gas well producing from the open hole interval 3034-3675' in the Yates and Seven Rivers formations of the Jalmat Pool.
- (c) That the applicant proposes to dually complete the well in the following manner:
 - 1. Drill out cement to total depth of 3885. Run 42" liner. set and cement at total depth.
 - 2. Perforate $4\frac{1}{2}$ " liner from 3788-3854' in the Queen formation in the Undesignated Oil Pool.
 - 3. Perforate $4\frac{1}{2}$ " liner from 3252-3366' in the Yates and Seven Rivers formations of the Jalmat Gas Pool.
 - 4. Set production type packer below these perforations at approximately 3775' to separate the two pay zones.
 - 5. Produce the Undesignated Pool Queen oil through the tubing and the Jalmat 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 Jalmat and oil from the Queen formation of the Undesignated Pool 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 the production from the two pay zones.