

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. A. Shellshear
DISTRICT MANAGER
F. O. Mortlock
DISTRICT EXPLORATION
MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
H. C. Vivian
DISTRICT OPERATIONS MANAGER

P. O. Drawer 1938
Roswell, New Mexico

February 16, 1962

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: Application of Gulf Oil Corporation for Approval
of a 310.29-Acre Non-Standard Gas Proration Unit,
Eumont Gas Pool, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests Exception to Rule 5(A) of Order R-1670 for administrative approval of a 310.29-acre Non-Standard Eumont Gas Proration Unit covering Lots 2, 3 and 4, SE/4 NW/4, E/2 SW/4 and N/2 SE/4 of Section 18, Township 21 South, Range 37 East, Lea County, New Mexico. This proposed Non-Standard Unit is to be attributed to Gulf's H. T. Mattern (NCT-C) Well No. 3, located 1980 feet from the south line and 660 feet from the west line of Section 18.

In support of this application, the following facts are submitted:

1. A portion of Gulf's H. T. Mattern (NCT-C) Lease, described as Lots 2 and 3, SE/4 NW/4, NE/4 SW/4 and N/2 SE/4 of Section 18, containing 233.50 acres, more or less, is now attributed to a Non-Standard Gas Proration Unit with Well No. 3 as the unit well. The approval of this unit was by Order R-905 dated October 26, 1956.
2. Texas Pacific Coal and Oil Company is the owner of the State "B" Lease, described as Lot 4 and SE/4 SW/4 of Section 18, containing 76.79 acres, more or less.
3. Texas Pacific and Gulf now desire to expand the existing Non-Standard Gas Unit to include the Texas Pacific State "B" Lease and to form a 310.29-acre Non-Standard Unit with Gulf's H. T. Mattern (NCT-C) Well No. 3 as the unit well. This well is capable of producing the full allowable for the proposed unit.
4. The royalty owners in the portion of Gulf's H. T. Mattern (NCT-C) Lease included in this proposed Non-Standard Unit have consented in writing to the forming of this unit.
5. The State of New Mexico is the royalty owner in Texas Pacific's State "B" Lease. The Land Commissioner has not approved the Pooling Agreement; however, he has assured us by letter that approval will be given if the Oil Conservation Commission approves the proposed Non-Standard Unit.

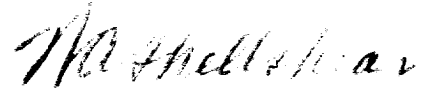


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6. Attached is a lease plat showing the unit well circled in red, the existing Non-Standard Unit outlined in green, and the proposed Non-Standard Unit outlined in red.
7. The proposed Non-Standard Unit consists of contiguous quarter-quarter sections or lots.
8. The entire proposed Non-Standard Unit lies wholly within a single governmental section.
9. The entire Non-Standard Unit is reasonably presumed to be gas productive in the Eumont Gas Pool.
10. The length or width does not exceed 5,280 feet.
11. All operators owning interests within 1,500 feet of the unit well and in the section in which this proposed Non-Standard Unit is located, have been furnished a copy of this application by registered mail.


Respectfully submitted,

GULF OIL CORPORATION



W. A. Shellshear

Attachment
JHH:bc

 cc. New Mexico Oil Conservation Commission
Post Office Box 2045
Hobbs, New Mexico

REGISTERED MAIL

Shell Oil Company
Post Office Box 1858
Roswell, New Mexico

Tidewater Oil Company
Post Office Box 1404
Houston 1, Texas

Neville G. Penrose, Inc.
1813 Fair Building
Fort Worth, Texas

The Ohio Oil Company
Post Office Box 2107
Hobbs, New Mexico

Texas Pacific Coal and Oil Company
Post Office Box 2110
Fort Worth 1, Texas