

Gulf Oil Company - U.S.

HOBBS PRODUCTION AREA

June 12, 1973

C. D. Borland
AREA PRODUCTION MANAGER

P. O. Box 570
Hobbs, New Mexico 88240

Mr. A. L. Porter
New Mexico Oil Conservation Commission
Post Office Box 2080
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation requests your administrative approval for a 160 acre proration unit in the Blinebry Gas pool, covering the SW/4, Section 20, 21-S, 37-E, to be dedicated simultaneously to our C. L. Hardy No. 3, located 1980' FS & WL, and our No. 5 well, located 1980' FSL and 660' FWL, both in section 20, 21-S, 37-E.

In support of this application the following facts are submitted:

1. The C. L. Hardy No. 5 well is a Blinebry Gas well with a 120 acre non-standard proration unit covering the W/2 SW/4 and the SE/4 SW/4, of said section.
2. Effective May 1, 1973 well No. 3 was reclassified as a Blinebry Gas well due to Gas-Oil ratio in excess of 32,000/1, resulting in two Blinebry Gas wells in a single proration unit.
3. Rule 29 of the Blinebry Gas Field Rules permit two producing gas wells within a single proration unit with the operator having the option to determine the proration of the assigned allowable to be produced by each well.
4. There are no other wells producing from the Blinebry formation in this quarter section.
5. The attached plats show the proposed 160 acre unit outlined in red.
6. All offset operators have been furnished a copy of this application.

Your early consideration will be appreciated.

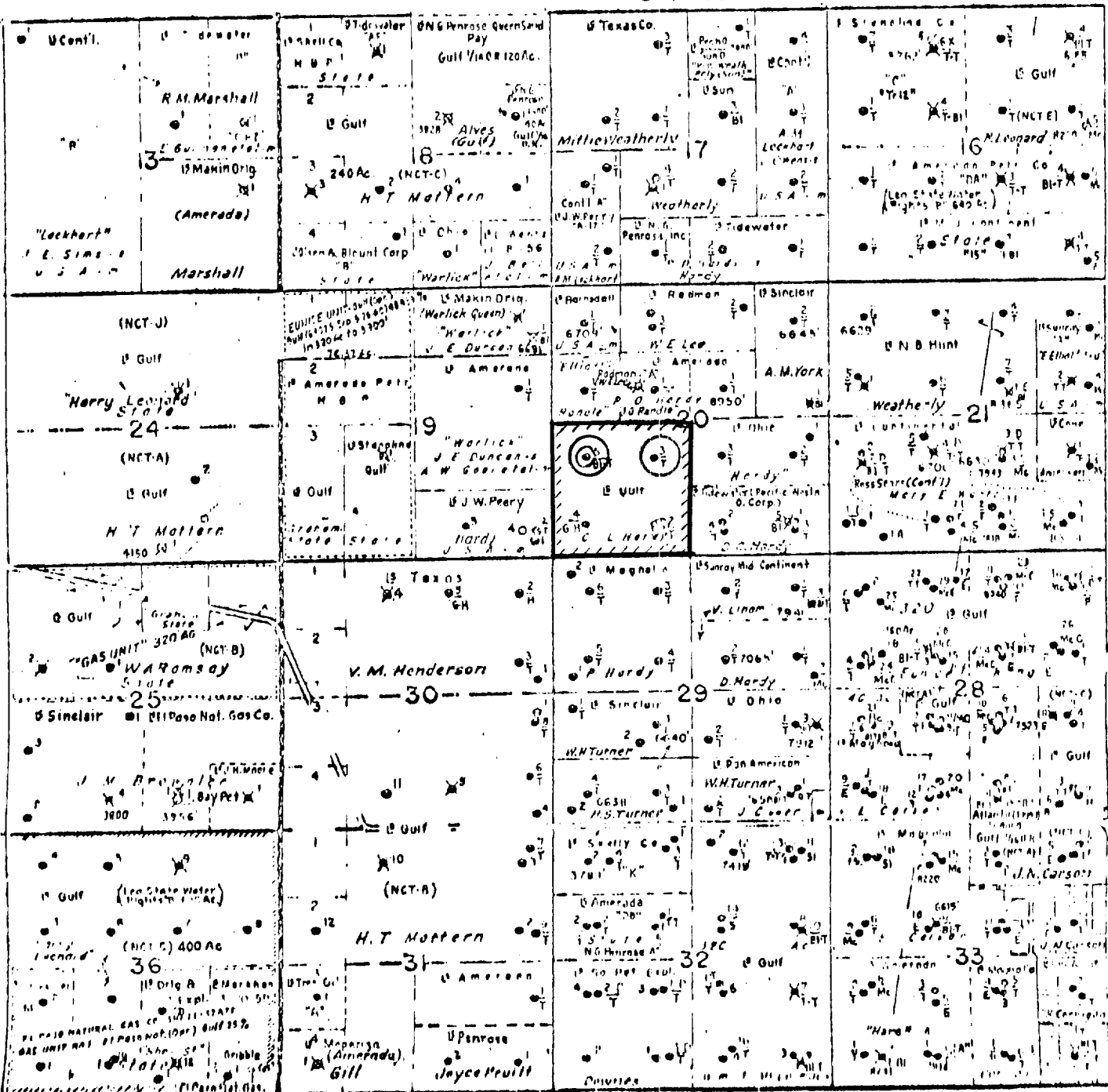
Yours truly,


C. D. BORLAND

lwd:
att'd
cc: J. L. Pike
All offset operators
NMOCC, Hobbs, New Mexico



57 E



21 S