

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

P. O. Box 670
Hobbs, New Mexico 88240

May 20, 1975

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
Post Office Box 2088
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, consisting of the NW/4, Section 3, 22-S, 37-E, Lea County, to be dedicated simultaneously to our Mark No. 3, located 1980' FN & EL, and Mark No. 7, located 1980' FNL & 760' FEL, both in Section 3, 22-S, 37-E.

In support of this application the following facts are submitted:

1. Well No. 7 is a Blinebry Gas well with a 120 acre non-standard proration unit (NSP-612) comprising the N/2 NE/4 and the SE/4 NE/4, Section 3, 22-S, 37-E.
2. A recent test of well No. 3 reveals the well will be reclassified from Blinebry Oil to Blinebry Gas, due to gas-oil ratio in excess of 50,000/1, effective June 1, 1975.
3. Rule 26 (e) of the Blinebry Oil and Gas Field Rules permit two producing gas wells within a single proration unit with the operator having the option to determine the proportion of the assigned allowable to be produced by any well.
4. There are no other wells producing from the Blinebry formation in this proposed 160 acre proration unit.
5. The attached plat shows the wells and the proposed unit outlined in red.
6. All offset operators have been furnished a copy of this application.

Your early consideration in this matter will be appreciated.

Yours truly,



C. D. BORLAND

lwd:

cc: A. J. Evans, All Offset Operators
NMOCC, Hobbs, New Mexico



A DIVISION OF GULF OIL CORPORATION

