Gulf Energy and Minerals Company-U.S.

C. D. Borland APEA PRODUCTION MANAGES SOUTHWEST DIVISION HOBBS AREA August 23, 1977

P. O. Box 670 Hobbs, NM 88240

Mr. Joe D. Ramey New Mexico Oil Conservation Committee P. O. Box 2088 Santa Fe, NM 87501

form

Verbal C.K. France Weeke Stamets Heek Stamets 711

Dear. Sir:

Gulf Oil Corporation is the operator of an 80-acre non-standard proration unit, NSP R-4467, consisting of the SW/4 of NE/4 and NW/4 of SE/4 of Section 16, T24S-R37E, Lea County, New Mexico in the Fowler Upper Yeso Pool. The Unit's well is the J. R. Holt (NCT-A) Well No. 4, located 1980' from South line and 2080' from East line, Section 16.

Gulf Oil Corporation requests your administrative approval to simultaneously dedicate Fowler Upper Yeso production from the J. R. Holt (NCT-A) Well No. 4 and the J. R. Holt (NCT-A) Well No. 3, located 1980' from North line and 1980' from East line, Section 16, and/or close in Well No. 4 and dedicate the non-standard proration unit to Well No. 3. This well is proposed to be recompleted in the Fowler Upper Yeso Pool in the very near future.

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

- The recompletion of this well in the Fowler Upper Yeso Pool represents 1. reasonable development of this pool.
- Well No. 3 is located on the same 80-acre proration unit as J. R. Holt 2. (NCT-A) Well No. 4 (as indicated on the attached plat), necessitating this request.
- 3. This application is in the interest of conservation and the prevention of waste.
- All offset operators have been furnished a copy of this application. 4.

Your early consideration in this matter will be greatly appreciated and if additional information is needed, please advise.

Yours very truly,

ly: D. T. Berlin C. D. BORLAND

GS/cm Attach cc: NMOCC, Hobbs all offset operators (list attached) J. M. Thacker, Midland C. F. Kalteyer, Midland