

CASE No.

26

Large Exhibits  
OCD

100-17-14-973

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

\* \* \*

IN THE MATTER OF THE APPLICATION OF MARTIN YATES, JR.,  
AND ROBERT SALLEE FOR A CLOSER PLACING PERMIT  
THAN IS AT PRESENT PERMITTED BY THE  
RULES OF THE COMMISSION

WAIVER AND ANSWER

TO THE HONORABLE OIL CONSERVATION COMMISSION, STATE OF NEW  
MEXICO:

Comes now the Republic Production Company, a corporation, and hereby acknowledges service of a copy of the Petition of Martin Yates, Jr., and Robert Sallee in this cause and does further enter its general appearance herein. The said Republic Production Company, a corporation, expressly admits the allegations contained in the Petition. The said Republic Production Company, a corporation, states that it is the owner of a certain oil and gas lease and leasehold estate embracing the Southwest Quarter of the Southwest Quarter (SW<sup>1/4</sup>SW<sup>1/4</sup>) of Section Thirty-Five (35), Township Seventeen (17) South, Range Twenty-Nine (29) East, N. M. P. M., Eddy County, New Mexico, which tract of land is an off-set to the tract of land with reference to which petitioners request the right to make an unorthodox location; that if petitioners should develop a commercial well on said tract of land the Republic Production Company,

a corporation, will be required to off-set said tract or pay compensating royalty to the United States of America in accordance with the provisions of its lease on said land; that Ernest A. Hanson, Supervisor of Oil and Gas Operations of the United States Department of the Interior, Geological Survey, has determined said compensating royalty to be 1.5 percent; that petitioners have heretofore agreed with the Republic Production Company, a corporation, to relieve the said Republic Production Company, a corporation, of the obligation of paying said compensating royalty by paying the same to the United States of America; that the Republic Production Company, a corporation, in reliance on said agreement does hereby give its consent and does expressly waive any objections to the proposed location stated in the Petition filed in this cause, and does further expressly consent to the entrance of the order requested by said petitioners at a hearing held at any time without further notice.

REPUBLIC PRODUCTION COMPANY

By *[Signature]*

ATTEST:

Subscribed and sworn to before me this 22 day of  
June, 1941.  
*[Signature]*  
Notary Public  
State of New Mexico  
My Commission Expires:  
June 1, 1941

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- 3 -

Petitioner's Ex-  
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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

\* \* \*

IN THE MATTER OF THE APPLICATION OF MARTIN YATES, JR.,  
AND ROBERT SALLEE FOR A CLOSER PLACING PERMIT  
THAN IS AT PRESENT PERMITTED BY THE  
RULES OF THE COMMISSION.

WAIVER AND ANSWER

TO THE HONORABLE OIL CONSERVATION COMMISSION, STATE OF NEW  
MEXICO:

Comes now Allen, Fair & Pope, law., and hereby accepts service of a copy of the Petition of Martin Yates, Jr., and Robert Sallee in this cause and does further enter its general appearance herein.

Allen, Fair & Pope, law., further states that it does hereby give its consent and does expressly waive any objections to the proposed location stated in the Petition of Martin Yates Jr., and Robert Sallee, filed in this cause, and does hereby expressly consent to the entrance of the order requested by said petitioners at a hearing held at any time without further notice.

ALLEN, FAIR & POPE,  
*[Signature]*  
By *[Signature]*

STATE OF TEXAS  
COUNTRY OF SAN ANTONIO

On this 17<sup>th</sup> day of July, 1941, before me personally appeared R. W. FAIR, C. M. POPE, JR. and G. V. ALLEN to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the foregoing instrument and acknowledged that they are the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

*[Signature]*  
LAWRENCE WOOD NOTARY PUBLIC

My commission Expires  
Mar 31, 1943



Artesia, New Mexico  
June 22, 1941

Republic Production Company  
San Angelo, Texas  
Gentlemen:

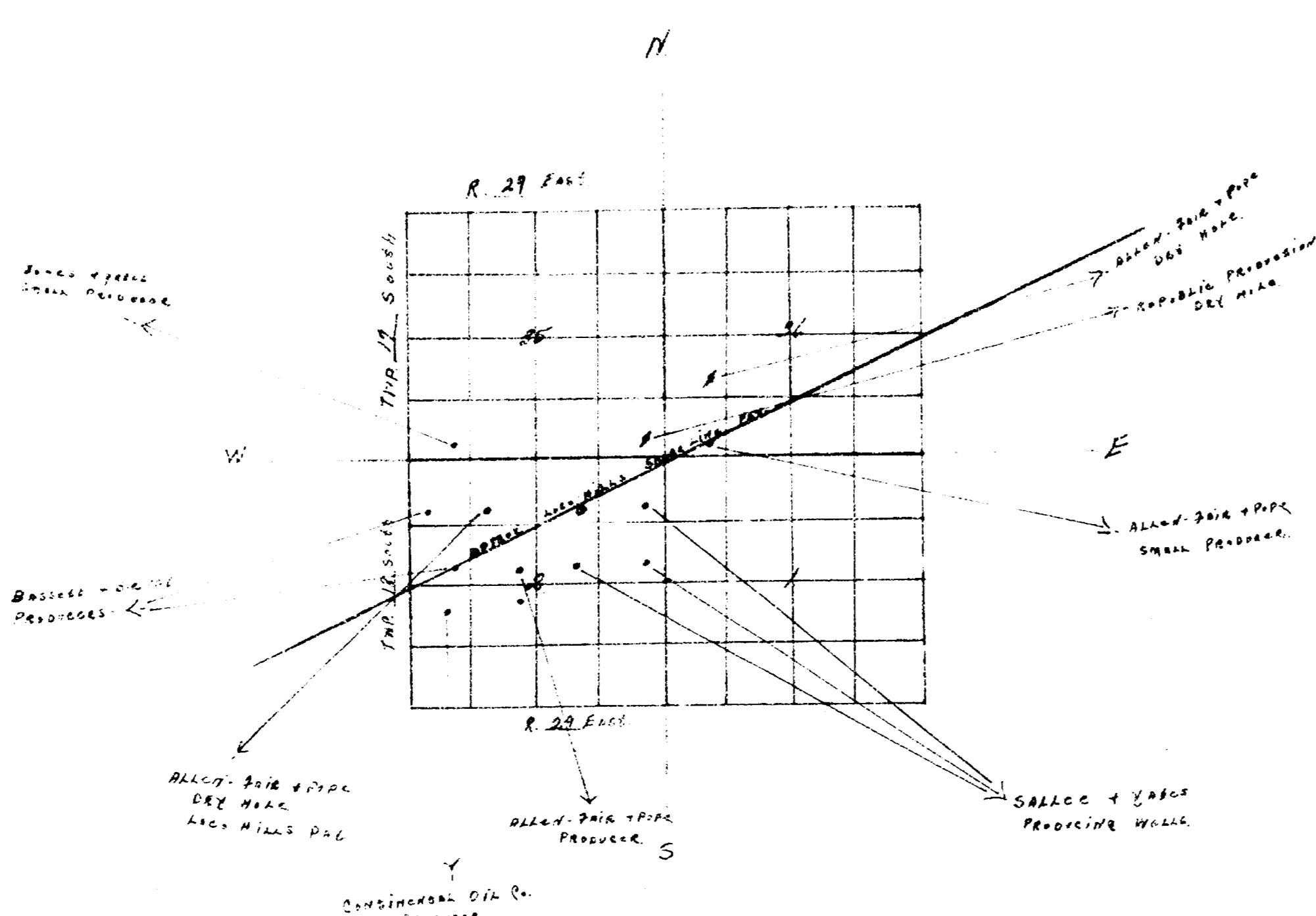
This is to advise that Mr. Robert Sallee and I purpose to secure the permission of the Oil Conservation Commission of the State of New Mexico to drill a well for oil and gas in the southwest corner of Section 35, Township 18 South, Range 29 East, N. M. P. M., Eddy County, New Mexico, located 100 feet west of the south line of said tract and 100 feet west of the east line of said tract. We are advised that you own the oil and gas lease and leasehold interest in the SW<sup>1/4</sup>SW<sup>1/4</sup> of Section 35, Township 17 South, Range 29 East, N. M. P. M., Eddy County, New Mexico, by virtue of a lease issued by the United States of America.

In consideration of your making no objection to the proposed location we agree to relieve you of the obligation of paying compensating royalty to the United States of America for oil and gas produced from the well subject to your lease. Mr. Ernest A. Hanson, Supervisor of Oil and Gas Operations of the United States Department of the Interior, Geological Survey, has determined the compensation royalty for which your lease would become liable to be 1.5 percent. We agree to pay this sum or any other sum contemplated by the regulations promulgated by the Secretary of the Interior of the United States, which will save you harmless from any obligation to pay the same caused by a well situated on our proposed location.

Very truly yours,  
SALLEE & YATES  
By *[Signature]*  
REPUBLIC PRODUCTION CO.

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Bilbao Sp # 623

ANDERSON-PHILIPPI OIL COMPANY  
Cells No. 2  
7-25-37

TO 6-1-39	ALLOWABLE	RUNS	OVER	PURGE
AUGUST	784 25.3	797 19.3		167
SEPTEMBER	1200 42	1435 47.8	175	
OCTOBER	1483 48	1677 54.1	189	
NOVEMBER	1360 46	1616 53.9	236	
DECEMBER 1940	1395 45	1372 44 $\frac{1}{2}$		23
JANUARY	1240 40	1331 49 $\frac{1}{2}$	91	
FEBRUARY	1363 41 $\frac{1}{2}$	1349 46 $\frac{1}{2}$		14
MARCH	1483 42	1487 48 $\frac{1}{2}$		1
APRIL	1360 46	1360 45 $\frac{1}{2}$		20
MAY	1302 42	1227 39 $\frac{1}{2}$		75
JUNE	1230 41	1163 38 $\frac{1}{2}$		67
JULY	1209 39	1240 40 $\frac{1}{2}$	31	
AUGUST	1147 37	1761 56 $\frac{1}{2}$	614	
SEPTEMBER	1050 35	1085 36 $\frac{1}{2}$	15	
OCTOBER	1147 37	1134 36 $\frac{1}{2}$		13
TOTAL	18,863	19,814	1,351	400

STANDARD OIL & GAS COMPANY					
Longline A-2					
9-25-37					
TO 8-1-39	ALLOWABLE	RUNS	OVER	SHORT	20
AUGUST	288 9 $\frac{1}{2}$	117 3 $\frac{3}{4}$			
SEPTEMBER	525 17 $\frac{1}{2}$	597 14 $\frac{1}{2}$	72		171
OCTOBER	520 20 $\frac{1}{2}$	548 11 $\frac{1}{2}$			272
NOVEMBER	450 15 $\frac{1}{2}$	459 16 $\frac{3}{4}$	39		
DECEMBER 1940	465 15 $\frac{1}{2}$	574 12 $\frac{1}{2}$			91
JANUARY	496 16 $\frac{1}{2}$	517 16 $\frac{1}{2}$	21		
FEBRUARY	464 16 $\frac{1}{2}$	573 20 $\frac{1}{2}$	115		
MARCH	496 16 $\frac{1}{2}$	547 11 $\frac{1}{2}$			149
APRIL	50 2 $\frac{1}{2}$	486 16 $\frac{1}{2}$	426		
MAY	496 16 $\frac{1}{2}$	446 14 $\frac{1}{2}$			50
JUNE	480 16 $\frac{1}{2}$	295 6 $\frac{3}{4}$			275
JULY	310 10 $\frac{1}{2}$	310 10 $\frac{1}{2}$			
AUGUST	310 10 $\frac{1}{2}$	286 7 $\frac{1}{2}$			74
SEPTEMBER	300 10 $\frac{1}{2}$	303 10 $\frac{1}{2}$	3		
OCTOBER	435 15 $\frac{1}{2}$	472 15 $\frac{1}{2}$	13		
TOTAL	5,225	5,832	609		1,082
GRAND TOTAL					

STANDING OIL & GAS COMPANY Bengie A-1 9-25-37				
TO 8-1-39	ALLOWABLE	RUNS	OVER	SHORT
AUGUST	620 10 $\frac{3}{4}$	541 7 $\frac{3}{4}$		79
SEPTEMBER	625 21 $\frac{1}{2}$	663 22 $\frac{1}{2}$		102
OCTOBER	630 30 $\frac{1}{2}$	396 12 $\frac{3}{4}$		534
NOVEMBER	600 20 $\frac{1}{2}$	512 17 $\frac{1}{2}$		88
DECEMBER 1940	620 20 $\frac{1}{2}$	574 12 $\frac{1}{2}$		246
JANUARY	279 9 $\frac{1}{2}$	445 14 $\frac{1}{4}$	166	
FEBRUARY	281 9 $\frac{1}{2}$	460 15 $\frac{1}{2}$	199	
MARCH	279 9 $\frac{1}{2}$	347 11 $\frac{3}{4}$	68	
APRIL	90 3 $\frac{1}{2}$	725 24 $\frac{3}{4}$	635	
MAY	1302 42 $\frac{1}{2}$	1118 36 $\frac{1}{2}$		184
JUNE	1280 41 $\frac{1}{2}$	484 15 $\frac{1}{2}$		736
JULY	620 20 $\frac{1}{2}$	620 20 $\frac{1}{2}$		
AUGUST	620 20 $\frac{1}{2}$	522 16 $\frac{3}{4}$		98
SEPTEMBER	610 20 $\frac{1}{2}$	603 20 $\frac{1}{2}$	3	
OCTOBER	620 20 $\frac{1}{2}$	534 20 $\frac{1}{2}$	14	
TOTAL	9,196	8,124	1,035	2,157
GRAND TOTAL				

**CLAY PHILLING COMPANY**  
 Purleson No. 2  
C-25-37

	AVAILABLE	RETS	OVER	SHORT	TOTAL
TO 8-1-37					
AUGUST					
SUMMER	680 21 <sup>1</sup>	842 28 <sup>1</sup>	212		
OCTOBER	1408 43 <sup>1</sup>	1657 53 <sup>1</sup>	100		
NOVEMBER	1380 46 <sup>1</sup>	1304 43 <sup>2</sup>		76	
DECEMBER	1365 45 <sup>1</sup>	1312 47 <sup>2</sup>		83	
1940					
JANUARY	1240 46 <sup>1</sup>	1122 36 <sup>1</sup>		118	
FEBRUARY	688 22 <sup>1</sup>	520 17 <sup>2</sup>		118	
MARCH	1488 43 <sup>1</sup>	1561 49 <sup>1</sup>	53		
APRIL	1380 46 <sup>1</sup>	1400 46 <sup>1</sup>	20		
MAY	1302 42 <sup>1</sup>	1027 38 <sup>1</sup>		275	
JUNE	1230 41 <sup>1</sup>	1310 40 <sup>2</sup>		20	
JULY	1954 67 <sup>1</sup>	2050 66 <sup>1</sup>	116		
AUGUST	1147 37 <sup>1</sup>	1200 58 <sup>1</sup>	53		
SEPTEMBER	1050 35 <sup>1</sup>	450 15 <sup>1</sup>		600	
OCTOBER	1147 37 <sup>1</sup>	1200 38 <sup>1</sup>	53		
TOTAL	17,440	16,835	676	1,200	
GRAND TOTAL					SHORT ... \$1

**CLAY DRILLING COMPANY**  
**Burleson No. 1**  
**5-25-57**

TO 1-1-59	ALL TIME	APRIL	BUR	CYCLE	SHORT
ANNUAL	784	25.0	974	31.4	190
NOV. 17 '51	1260	42.0	1107	36.7	153
DECEMBER	1488	48.0	1462	46.5	66
NOVEMBER	1390	46.0	1728	57.6	548
ENCOUNTER 1940	1395	45.0	1560	50.3	165
JANUARY	1240	40.0	1345	43.4	105
DECEMBER	937	38.0	650	22.4	307
MARCH	1408	48.0	1420	45.8	68
APRIL	1380	46.0	1446	48.2	66
MAY	1302	42.0	1500	41.9	2
JUNE	1250	41.0	1175	39.2	55
JULY	1615	52.0	1322	42.6	203
SEPTEMBER	1147	37.0	1217	39.2	70
OCTOBER	1147	37	1710	55.1	162
TOTAL	10,466		22,168	6,326	124

AN PERSONAL RICHARD OIL CORPORATION  
Wells No. 1  
6-25-37

TO 6-1-38	<u>ALLOWABLE</u>	<u>RUNS</u>	<u>OVER</u>	<u>SHORT</u>	<u>TOP</u>
AUGUST	784 25.3	597 19.3			187
SEPTEMBER	1260 42	1435 47.2	175		
OCTOBER	1498 43	1677 54.1	189		
NOVEMBER	1260 44	1616 53.4	236		
DECEMBER 1940	1398 45	1372 44.3			23
JANUARY	1240 46	1331 42.1	31		
FEBRUARY	1363 47	1349 46.5			14
MARCH	1453 48	1487 48.0			1
APRIL	1380 46	1390 45.3			20
MAY	1302 42	1227 39.6			75
JUNE	1230 41	1163 38.8			67
JULY	1209 37	1240 40.0	31		
AUGUST	1147 37	2149 69.3	1002		
SEPTEMBER	1080 35	1065 35.5	15		
OCTOBER	1147 37	1134 36.6			13
TOTAL	18,863	20,302	1,739	400	
GRAND TOTAL				OVER .....	

ANDERSON-PRICHARD OIL CORPORATION					
Stuart No. 3					
9-25-37					
TO	ALLOWABLE	RUNS	OVER	SHORT	REPORT
6-1-39					-35
AUGUST	784 25.3	180 5.8		604	
SEPTEMBER	1260 42	1175 39.1		87	
OCTOBER	1468 42	1266 40.8		222	
NOVEMBER	1880 46	1215 40.5		165	
DECEMBER 1940	1595 45	1364 44.6		11	
JANUARY	1240 40	1091 35.2		149	
FEBRUARY	1363 47	1072 37.5		291	
MARCH	1488 48	1083 34.9		405	
APRIL	1380 46	1075 35.8		305	
MAY	1302 42	1077 34.7		225	
JUNE	1230 41	898 20.0		331	
JULY	1209 37	972 21.4		237	
AUGUST	1147 37	683 26.5		264	
SEPTEMBER	1050 35	983 27.4		167	
OCTOBER	1147 37	720 23.2		427	
TOTAL	18,363	14,973		3,390	-3
GRAND TOTAL				SHORT .... 7	

ANDERSON-PRICHARD OIL CORPORATION  
Langlie A-4  
8-25-37

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TO 8-1-39	ALLOWABLE	RUNS	OVER	SHORT
AUGUST	784 25.3	726 23.4		58
SEPTEMBER	1260 42	1323 44.1	63	
OCTOBER	1488 45	1816 58.6	328	
NOVEMBER	1380 46	1617 53.9	237	
DECEMBER 1940	1395 45	1540 49.7	145	
JANUARY	1240 40	1156 37.3		64
FEBRUARY	1363 47	1262 43.5		101
MARCH	1488 42	1461 47.1		27
APRIL	1380 46	1427 47.6	47	
MAY	1302 42	1269 40.9		33
JUNE	1280 41	1189 39.6		41
JULY	1209 39	1225 39.5	16	
AUGUST	1147 37	1172 37.8	25	
SEPTEMBER	1160 35	1055 35.2	5	
OCTOBER	1147 37	1174 37.9	27	
TOTAL	11,163	10,412	693	344

**ANDERSON-FRICHARD OIL CORPORATION**  
**Langlie A-3**  
**8-25-37**

	<u>ALLOWABLE</u>	<u>RUNS</u>	<u>OVER</u>	<u>SHORT</u>
TO 8-1-39				
AUGUST	784 25.3	718 23.1		66
SEPTEMBER	1260 44	1314 43.3	54	
OCTOBER	1488 42	1799 58.0	311	
NOVEMBER	1380 46	1639 54.6	259	
DECEMBER 1940	1395 46	1757 56.0	342	
JANUARY	1240 40	1406 45.4	166	
FEBRUARY	1363 47	1245 42.9		118
MARCH	1488 46	1733 53.7	245	
APRIL	1380 44	1369 45.6		11
MAY	1302 44	1157 37.3		145
JUNE	1230 44	1202 49.1		28
JULY	1209 37	1194 32.5		15
AUGUST	1147 37	1155 37.3	8	
SEPTEMBER	1050 36	1046 34.9		4
OCTOBER	1147 37	1154 37.2	7	
TOTAL	16,865	18,858	1,392	367
GRAND TOTAL				SHD

AN IRVING-PRICHARD OIL COMPANY JUL NO. 1 8-25-37					
	AVAILABLE	WORKS	OVER	STOCK	
TO 8-1-39	51				
AUGUST 30	784 25.3	720 23.2			64
SEPTEMBER 26	1260 42.0	1302 43.4	42		
OCTOBER 24	1458 46.0	1579 56.4	321		
NOVEMBER 20	1300 44	1056 54.4	260		
DECEMBER 18 1940	1306 45	1071 53.9	276		
JANUARY 3	1240 40	1631 52.6	391		
FEBRUARY 27	1303 47	1116 58.5			245
MARCH 24	1480 46	1502 50.4	74		
APRIL 20	1360 46	1370 45.7			10
MAY 21	1302 42	1259 40.6			43
JUNE 30	1230 41	1210 40.3			20
JULY 24	1209 39	1186 37.2			24
AUGUST 31	1147 37	1155 37.5	8		
SEPTEMBER 26	1000 35	1047 34.9			3
OCTOBER 24	1147 37	1142 36.3			3
DECEMBER	10,863	10,920	1,371		414
NET TOTAL					SHORT

ANDERSON-RICHARD OIL COMPANY  
Langlie A-2  
8-25-87

	<u>ALLO.ABLE</u>	<u>RUTS</u>	<u>OVER</u>
TO 5-1-39			
AUGUST	784 7.4	634 70.5	
SEPTEMBER	1260 4.7	1458 47.9	178
OCTOBER	1418 7.3	1244 56.3	266
NOVEMBER	1302 4.4	1404 49.5	104
DECEMBER	1595 4.5	1865 60.2	470
1940			
JANUARY	1240 4.0	1574 50.7	334
FEBRUARY	1368 47	1468 50.5	105
MARCH	1458 4.2	1586 50.2	68
APRIL	1380 4.6	1497 50.0	117
MAY	1302 4.4	1211 39.7	
JUNE	1230 4.7	1057 35.2	
JULY	1209 47	1201 38.7	
AUGUST	1147 47	1155 37.3	8
SEPTEMBER	1050 4.0	1046 34.9	
OCTOBER	1147 47	1174 37.9	27
TOTAL	18,863	20,104	1,867
GRAND TOTAL			

AMERSON-PRICHARD OIL COMPANY Lamplight No. 1 8-28-37					
TO 8-1-38	ALLOWABLES	RUNS	OVER	SHORT	TOTAL
AUGUST	784 45.3	212 6.3			-3117
SEPTEMBER	1280 42.	1240 41.3		572	
OCTOBER	1616 43	1714 55.3	228	20	
NOVEMBER	1360 46	1700 56.7	220		
DECEMBER 1940	1395 45	1426 46.0	31		
JANUARY	1240 40	812 16.2		428	
FEBRUARY	957 33	395 13.6		562	
MARCH	1395 45	601 17.4		794	
APRIL	1380 46	621 20.0		759	
MAY	1054 34	624 20.1		430	
JUNE	1250 41	977 32.6		253	
JULY	662 22	679 21.9		3	
AUGUST	662 22	673 21.7		9	
SEPTEMBER	660 22	625 20.3		35	
OCTOBER	682 22	633 22.0	1		
<b>TOTAL</b>	<b>16,269</b>	<b>12,982</b>	<b>578</b>	<b>3,865</b>	<b>-3157</b>
<b>GRAND TOTAL</b>					<b>SHORT.....0444</b>

This is a high-contrast, black-and-white image that appears to be a scan of a severely damaged document or photograph. The surface is covered in heavy noise and horizontal streaks, suggesting physical damage like water damage or a corrupted digital file. In the upper left quadrant, there is a faint, handwritten label that reads "Exhibit". Above this handwritten label, there is some very small, illegible printed text that is mostly obscured by the noise.