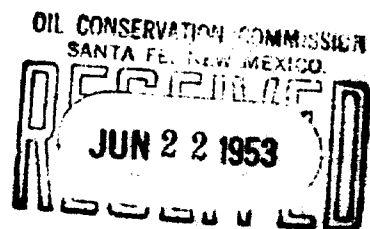


Case No.

547

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO



CASE 547:

In the matter of the application of F. B. Maharger for an exception to Rule 104, Paragraph 'd', of the Commission's Rules and Regulations relating to acreage requirements for drilling tract in SE/4, Sec. 16, Township 29 North, Range 11 West, NMEP, San Juan County, New Mexico.

TRANSCRIPT OF HEARING

June 16, 1953

Date

BEFORE: Honorable Ed. L. Mechem, Governor
Honorable E. M. Walker, Land Commissioner
Honorable R. H. Spurrier, Director, OGC

STATE OF NEW MEXICO)

COUNTY OF BERNALILLO) ss

I HEREBY CERTIFY that the within transcript of proceedings before the Oil Conservation Commission is a true record of the same to the best of my knowledge, skill, and ability.

DONE at Albuquerque, N. M., this 20th day of
June 1953

My Comm. Ex.:
August 4, 1956

E. E. Greeson
E. E. Greeson
Notary - Reporter

COM. SPURRIER: We will move on to Case 547.

(Mr. Graham reads the advertisement.)

MR. CATRON: My name is Tom Catron.

The basis of this application for an exception to 104, 'd', is a hardship one, based on the fact that the applicant has 120 acres in this quarter section. The other forty acres is open acreage, shown by the tract books of the State Land Office to be state land.

These leases, which are held by the applicant at this time, expire June 23d this month. And if he is not permitted to drill this acreage within that time, these leases will expire and he will be out.

Under the circumstances, the applicant desires an exception to the rule to be permitted to drill in that quarter section.

This is a copy of the assignment to him, under which he claims the acreage.

MR. GRAHAM: What pool is that in?

MR. CATRON: That is in the Fulcher-Kutz Pictured Cliff.

(Off the record)

COM. WALKER: Mr. Catron, did you say there was some open land next to this 120 acres?

MR. CATRON: Yes, sir, the N WSE is open State land. We would have asked to have it brought up for bidding,

but by the time we found out it was the State it was too late to have it put up.

MR. WALKER: How long has Mr. Umbarger had this acreage?

MR. CATRON: Assigned to him May 20th.

MR. WALKER: Of 1953?

MR. CATRON: Yes, sir.

MR. GRAHAM: And his lease expires right off the bat?

MR. CATRON: Yes.

MR. WALKER: Didn't he know that at the time he took the assignment on the lease?

MR. CATRON: Apparently not. It was part of a larger number of acreage, and this was an odd one.

MR. GRAHAM: What is the spacing in that pool? Have you checked that up?

MR. CATRON: I haven't checked that. 160 is the drilling block.

(Off the record.)

COM. SPURMER: Does anyone have a question or comment in this case?

We will take the case under advisement, and move on to the next case, which is case 550.

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THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR THE
PURPOSE OF CONSIDERING:

CASE NO. 547
ORDER NO. R-338

IN THE MATTER OF THE APPLICATION OF
F. B. UMBARGER FOR AN EXCEPTION TO COMMISSION
RULE 104 (d) (PROVIDING FOR ACREAGE REQUIRE-
MENTS FOR DRILLING TRACTS) IN SE/4 SECTION 16,
TOWNSHIP 29 NORTH, RANGE 11 WEST, NHPM, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. June 16, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of June, 1953, the Commission, having considered the matter fully, the statements of counsel, and being fully advised in the premises,

FINDS:

1. That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

2. That the lands described in the caption hereof are located in the Fulcher Kutz-Pictured Cliffs Pool.

3. That the applicant, F. B. Umbarger, is the assignee and holder of Oil and Gas leases of all said southeast quarter of Section 16, excepting the NW/4 SE/4.

4. That said NW/4 SE/4 of Section 16 contains approximately 40 acres and is open and unleased acreage belonging to the State of New Mexico.

5. That the leases of which applicant is an assignee in said SE/4 of Section 16 will expire on June 23, 1953, if drilling is not commenced by that date in the quarter section of which it is a part.

6. That in order to preserve his said leases it is necessary that an exception be granted to Commission Rule 104 (d).

IT IS THEREFORE ORDERED:

That applicant F. B. Umbarger be, and he is hereby, granted an exception to Commission Rule 104 (d) and is authorized to drill a gas well upon the SE/4 of Section 16, Township 29 North, Range 11 West, NHPM; PROVIDED, HOWEVER, that applicant make every reasonable effort to secure a lease of the NW/4 SE/4 of said section at the earliest possible time, and provided further that in the event such acreage shall not be acquired, and production is had and proration is established for the area from which such production is had, then and in that event applicant shall produce only that proportionate amount of the allowable which is represented by the acreage in said quarter section under lease or assignment to him.

DONE at Santa Fe, New Mexico, on this day and place hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
F. J. Macle
Chairman

Edwalper
R. R. Gouvier

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico
OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST, A.L. PORTER JR.
SECRETARY DIRECTOR



1000 Rio Brazos Road
Aztec, New Mexico
June 20, 1958

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Att: Mr. R. L. Stamets

Dear Dick:

We have your letter of June 12, 1958 regarding Order R-338, which authorized a Pictured Cliffs unit in the SE₄ Section 16-29N-11W. The applicant was F. B. Umbarger.

Mr. Umbarger never drilled this well. The lease was later picked up by William H. Pawley and Mr. Pawley drilled a well on this quarter section called the #1 Maloy, in April 1957. The well was dry and abandoned. It was not however properly plugged and at the present time is being plugged according to our instructions.

If you need any further information please let us know.

Yours very truly

Emery C. Arnold
Emery C. Arnold
Supervisor, District #3

ECA:ks

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF F. B. UMBARGER FOR AN EXCEPTION)
TO COMMISSION RULE 104(d) (PROVIDING)
FOR ACREAGE REQUIREMENTS FOR DRILLING)
TRACTS) IN THE SOUTHEAST QUARTER OF)
SECTION SIXTEEN, TOWNSHIP TWENTY-NINE)
NORTH, RANGE ELEVEN WEST, IN SAN JUAN)
COUNTY, NEW MEXICO.)

No. 547

A P P L I C A T I O N

Comes now F. B. Umbarger, and states:

I.

This application effects lands in San Juan County, New Mexico,
described as follows:

Township 29 North, Range 11 West, N.M.P.M.
The Southeast quarter (SE $\frac{1}{4}$) of Section
Sixteen (16), which said quarter section
is located in the Fulcher Kutz - Pictured
Cliffs Pool.

II.

That applicant is the assignee of Stanolind Oil and Gas
Company of oil and gas leases upon the above described property,
excepting the Northwest quarter (NW $\frac{1}{4}$) of the Southeast quarter (SE $\frac{1}{4}$)
of said Section sixteen (16), said tract containing approximately
40 acres.

III.

According to the tract books of the State Land Office said
Northwest quarter (NW $\frac{1}{4}$) of the Southwest quarter (SW $\frac{1}{4}$) of said Section
sixteen (16) is open acreage belonging to the State of New Mexico.

IV.

That the lease of which Applicant is an assignee in said Southeast quarter (SE $\frac{1}{4}$) of Section sixteen (16) will expire on June 23, 1953, if drilling is not commenced upon said Southeast quarter of Section sixteen by that date.

V.

That Applicant does not believe that a lease of the Northwest quarter (NW $\frac{1}{4}$) of the Southeast quarter (SE $\frac{1}{4}$) of said section sixteen (16) can be secured in time to extend and preserve his lease by the commencement of drilling operations.

WHEREFORE Applicant respectfully requests that the Commission set this application for hearing, that due and proper notice be given as is required by law, and that at the conclusion of said hearing the Commission enter its Order permitting Applicant to drill a gas well in said Southeast quarter (SE $\frac{1}{4}$) of Section sixteen (16) as an exception to rule 104(d) of the Rules and Regulations of the New Mexico Oil Conservation Commission, and that Applicant have such other further relief as may be proper.

Dated this 28th day of May, 1953.

Catron & Catron
Attorneys for Applicant
Santa Fe, New Mexico

By Thomas B. Catron
Thomas B. Catron