

Case No.

995

Application, Transcript,
Small Exhibits, Etc.

CASE 995: Shell Oil & R. Olsen Oil Co.,
Application for 120 acre non-standard gas
unit in Jalmat Gas Pool - McKinney Well No. 1

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 20, 1956

**Mr. Oliver Seth
Seth & Montgomery
111 E. San Francisco
Santa Fe, New Mexico**

Dear Sir:

In behalf of your clients, Shell Oil Company and E. Green Oil Company, we enclose two copies of Orders E-759 and E-761 issued March 14, 1955, by the Oil Conservation Commission in Cases 99A and 99B respectively.

Very truly yours,

**W. B. Hacey
Secretary - Director**

**WMH:berp
Encls.**

**C
O
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Y**

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 994 & 995

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 15, 1956

IN THE MATTER OF:

CASE 994: Application of Shell Oil Company & R. Olsen Oil Company for an order approving a non-standard gas proration unit in exception to Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool as set forth in Order R-520. Applicants, in the above-styled cause, seek an order establishing a 320 acre non-standard gas proration unit consisting of the NW/4, NE/4, W/2 SW/4, NE/4 SW/4 of Section 36, Township 24 South, Range 36 East; said acreage to be dedicated to Shell State Well 1-A located 380 feet from the North and West lines of Section 36, Township 24 South, Range 36 East, Lea County, New Mexico.

CASE 995: Application of Shell Oil Company and R. Olsen Oil Company for an order approving a non-standard gas proration unit in exception to Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool as set forth in Order R-520. Applicants, in the above-styled cause, seek an order establishing a 120 acre non-standard gas proration unit consisting of the E/2 NE/4 and the NE/4 SE/4 of Section 36, Township 24 South, Range 36 East; said acreage to be dedicated to R. Olsen Oil Company McKinney No. 1 Well located 660 feet from the North and East lines of Section 36, Township 24 South, Range 36 East, Lea County, New Mexico.

BEFORE:

Honorable John F. Simms, Jr.,
Mr. E. S. (Johnny) Walker,
Mr. William B. Macey.

TRANSCRIPT OF HEARING

MR. MACEY: Next case on the docket is 994 and 995. Mr. Seth, do you wish to make a statement?

MR. SETH: Yes. We would like to withdraw the applications in cases 994 and 995 and present them later in a slightly different form.

MR. MACEY: You want the cases actually dismissed and re-submit applications?

MR. SETH: Yes.

MR. MACEY: Is there an objection? If not, cases 994 and 995 will be dismissed.

We will take a short recess.

(Recess.)

C E R T I F I C A T E

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, THURMAN J. MOODY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings had before the Oil Conservation Commission for the State of New Mexico on February 15, 1956, is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND, this, the 22nd day of February, 1956.

Thurman J. Moody
Court Reporter

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
January 19, 1956

IN THE MATTER OF:

CASE NO. 994 & 995

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 19, 1956

IN THE MATTER OF:

Application of Shell Oil Company & R. Olsen Oil Company
for an order approving a non-standard gas proration unit
in exception to Rule 5(a) of the Special Rules and Regulations
for the Jalmat Gas Pool as set forth in Order R-520. Ap-
plicants, in the above-styled cause, seek an order establish-
ing a 320 acre non-standard gas proration unit consisting
of the NW/4, NW/4 NE/4, W/2 SW/4, NE/4 SW/4 of Sec-
tion 36, Township 24 South, Range 36 East; said acreage to
be dedicated to Shell State Well 1-A located 380 feet from
the North and West lines of Section 36, Township 24 South,
Range 36 East, Lea County, New Mexico.

Case 994

Application of Shell Oil Company and R. Olsen Oil Company
for an order approving a non-standard gas proration unit
in exception to Rule 5(a) of the Special Rules and Regulations
for the Jalmat Gas Pool as set forth in Order R-520. Ap-
plicants, in the above-styled cause, seek an order establish-
ing a 120 acre non-standard gas proration unit consisting of
the E/2 NE/4 and the NE/4 SE/4 of Section 36, Township
24 South, Range 36 East; said acreage to be dedicated to
R. Olsen Oil Company McKinney No. 1 Well located 660
feet from the North and East lines of Section 36, Township
24 South, Range 36 East, Lea County, New Mexico.

Case 995

BEFORE:

Honorable John F. Simms, Jr.,
Mr. E. S. (Johnny) Walker,
Mr. William B. Macey.

MR. MACEY: It is my understanding that Case 994 and 995 are
to be continued. You wish them continued to February.

MR. NESTOR: Yes to February.

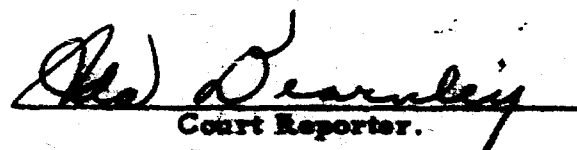
MR. MACEY: We will continue Case 994 and 995 to the February hearing and take a short recess.

C E R T I F I C A T E

STATE OF NEW MEXICO,)
: ss
COUNTY OF BERNALILLO.)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND, this, the 20th day of January, A. D., 1956.


Court Reporter.

Memo

2/16/85

From
WAM

To Re: Case # 295

JWG

OK. to go ahead
& write order of
disbursement

(W)

Heard on 1/19/86 & 2/15/86

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 908
Order No. E-761**

**THE APPLICATION OF SHELL OIL
COMPANY AND R. OLSEN OIL COMPANY
FOR AN ORDER GRANTING APPROVAL OF
AN EXCEPTION PURSUANT TO RULE 5 (a)
OF THE SPECIAL RULES AND REGULATIONS
FOR THE JALMAT GAS POOL AS SET FORTH
IN ORDER NO. E-520 IN ESTABLISHMENT
OF AN UNUSUAL GAS PRORATION UNIT
OF 120 CONTINUOUS ACRES CONSISTING
OF E/2 NE/4 AND NE/4 NE/4 SECTION 36,
TOWNSHIP 24 SOUTH, RANGE 20 EAST.**

ORDER OF DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 19, 1966, and again on February 15, 1966 at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 14th day of March, 1966, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order No. E-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicants, by their attorney appeared before the Commission on the aforementioned date and moved to dismiss the application and that said application should therefore be dismissed.

IT IS THEREFORE ORDERED:

(1) That the application of Shell Oil Company and R. Olsen Oil Company, for approval of a non-standard proration

-2-
Order No. R-761

unit consisting of the following described acreage in the Jalisco
San Pool, Lea County, New Mexico:

~~TOWNSHIP 24 NORTH, RANGE 30 EAST, NE/4
E/4 NE/4, NE/4 NE/4 Section 24~~

be and the same is hereby dismissed.

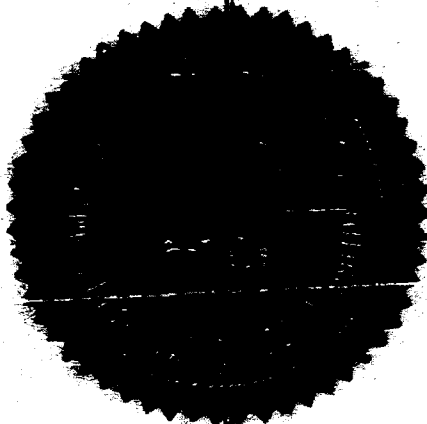
DONE at Santa Fe, New Mexico on the day and year
hereinafore designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Smith
JOHN F. SMITH, Chairman

E. B. Macey
E. B. MACEY, Member

W. B. Macey
W. B. MACEY, Member and Secretary



ir/

R. OLSEN OIL COMPANY

BOX 691

JAL, NEW MEXICO

MAIN OFFICE 000

DEC 15 1955

December 15, 1955

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. Mankin

Dear Sir,

As per request by Mr. Rieder in your Jal
Office, we are sending you a copy of the Gamma Ray
Neutron Log of our McKinney No. 1.

Yours truly,

R. OLSEN OIL COMPANY

By: *Mary Lou Spitzer*

Secretary

MS:ms
cc: Mr. Rieder

SHILL OIL COMPANY

Box 1957
Hobbs, New Mexico

December 7, 1955

Subject: Application by Shell Oil Company
and R. Olsen Oil Company for
Approval of Two Non-Standard Gas
Proration Units in Section 36-24S-36E,
Jalnet Gas Pool, Lea County, New Mexico

AIR MAIL

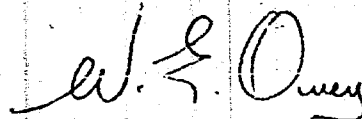
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Gentlemen:

In accordance with your oral advice that the subject application cannot be heard at the regular December meeting of the New Mexico Oil Conservation Commission, we request that the subject application be placed on the docket for the regular January 1956 hearings in Santa Fe.

Yours very truly,



W. E. Owen
Division Manager

cc: New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

R. Olsen Oil Company
2805 Liberty Bank Building
Oklahoma City, Oklahoma

Anderson-Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma

Mr. W. H. Black
P. O. Box 174
Midland, Texas

Cities Service Oil Company
Empire-Masonic Building
Bartlesville, Oklahoma

Continental Oil Company
P. O. Box 431
Midland, Texas

Gulf Oil Corporation
P. O. Box 1667
Hobbs, New Mexico

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas

-2-
Mr. John M. Kelly
P. O. Box 5671
Roswell, New Mexico

Phillips Petroleum Company
Permian Building
Midland, Texas

Southern California Petroleum Corporation
Suite 905, Petroleum Life Building
Midland, Texas

The Texas Company
P. O. Box 1270
Midland, Texas

Tide Water Associated Oil Company
P. O. Box 731
Tulsa, Oklahoma

Western Natural Gas Company
323 Midland Tower
Midland, Texas

Case 975

SHELL OIL COMPANY

Box 1957
Hobbs, New Mexico

November 30, 1955

Subject: Application by Shell Oil Company
and R. Olsen Oil Company for
Approval of Two Non-Standard Gas
Proration Units in Section 36-24S-36E,
Jalmit Gas Pool, Lea County, New Mexico

On 1/4/56

AUT MAIL

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. W. B. Diney

Gentlemen:

By this letter, Shell Oil Company and R. Olsen Oil Company request approval
of two non-standard gas proration units in Section 36-24S-36E, Jalmit Gas Pool, Lea
County, New Mexico.

Unit B
Talked to Norrell
on 12/7/55 who
will submit
amended application
asking for Extension

Unit A:

- (1) Shell State 1-A, located 380 feet from the north and west
lines of Section 36, is currently assigned a 160-acre gas
proration unit consisting of the NW/4 of Section 36.
- (2) The applicants propose to increase the gas unit size to 320-
acres which shall include the NW/4, NE/4, SE/4, S/2 SW/4, and
NE/4 SW/4 of Section 36.
- (3) The proposed non-standard gas proration unit has the same
royalty interest, The State of New Mexico.
- (4) The proposed non-standard gas proration unit lies wholly
within a governmental section.
- (5) The length or width of the proposed non-standard gas prora-
tion unit does not exceed 5200 feet.
- (6) The proposed non-standard gas proration unit may reasonably
be presumed to be productive of gas.
- (7) The entire proposed non-standard gas proration unit is within
the horizontal limits of the Jalmit Gas Pool.

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Communications

- (8) The attached plat shows the boundary of the proposed non-standard gas proration unit and the offset ownership.
- (9) By copy of this letter of application, all operators owning interest in the section in which the proposed non-standard gas proration unit is situated and all operators owning interest within 1500 feet of Shell State 1-A have been notified by certified mail of this application.

Unit B:

- (1) Olsen McKinney 1, located 660 feet from the north and east lines of Section 36, is to be dually completed as a Seven Rivers oil and lease gas producer.
- (2) The applicants propose to form a 120-acre non-standard gas proration unit consisting of the E/2 NE/4 and NE/4 SE/4 of Section 36 with Olsen McKinney 1 as the withdrawal point.
- (3) The proposed non-standard gas proration unit has the same royalty interest, The State of New Mexico.
- (4) The proposed non-standard gas proration unit lies wholly within a governmental section.
- (5) The length or width of the proposed non-standard gas proration unit does not exceed 5280 feet.
- (6) The proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.
- (7) The entire proposed non-standard gas proration unit is within the horizontal limits of the Jarama Gas Pool.
- (8) The attached plat shows the boundary of the proposed non-standard gas proration unit and the offset ownership.
- (9) By copy of this letter of application, all operators owning interest in the section in which the proposed non-standard gas unit is situated and all operators owning interest within 1500 feet of Olsen McKinney 1 have been notified by certified mail of this application.

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Communicator

Therefore, Shell Oil Company and H. Olsen Oil Company request that the foregoing application for the non-standard gas proration units be heard before the New Mexico Oil Conservation Commission in Santa Fe, New Mexico, at the next regularly scheduled meeting to be held December 14, 1951.

Very very truly,

H. E. Owen
H. E. Owen
Division Manager

Attachments

cc: New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

H. Olsen Oil Company
2805 Liberty Bank Building
Oklahoma City, Oklahoma

Anderson-Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma

Mr. W. H. Black
P. O. Box 174
Midland, Texas

Cities Service Oil Company
Empire-Masonic Building
Bartlesville, Oklahoma

Continental Oil Company
P. O. Box 431
Midland, Texas

Gulf Oil Corporation
P. O. Box 1667
Hobbs, New Mexico

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas

Mr. John L. Kelly
P. O. Box 5671
Roswell, New Mexico

Phillips Petroleum Company
Permian Building
Midland, Texas

Southern California Petroleum Corporation
Suite 905, Petroleum Life Building
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P. O. Box 1270
Midland, Texas

Tide Water Associated Oil Company
P. O. Box 731
Tulsa, Oklahoma

Western Natural Gas Company
823 Midland Tower
Midland, Texas

