

Case No.

107

Application, Transcript,
Small Exhibits, Etc.

STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

June 26, 1947

The Artesia Advocate
Artesia, New Mexico

RE: Cases 103, 104, 106, 107 and 108 -
Notice For Publication.

Gentlemen:

Please publish the enclosed notice once, immediately.
Please proof-read the notice carefully and send a copy of the
paper carrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND PUBLISHER'S
AFFIDAVIT.

For payment please submit statement in duplicate, accompanied
by voucher executed in duplicate. The necessary blanks are en-
closed.

Very truly yours,

GEORGE A. CHAMBERLAIN
Attorney,
Oil Conservation Commission

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STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

June 25, 1947

Mr. Neil B. Watson
Attorney At Law
Artesia, New Mexico

RE: Case 107 - Petition of Barney
Cockburn.

Dear Mr. Watson:

This is to advise you that Case 107 in which Barney Cockburn
is petitioner has been set for 10:00 o'clock A.M. in the
Coronado Room La Fonda Hotel at Santa Fe, New Mexico on the
15th day of July, 1947.

Very truly yours,

GEORGE A. GRAHAM
Attorney,
Oil Conservation Commission

CAG:bsp

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February 12, 1953

Re: Barney Cockburn Unit
Agreement, Lea County,
New Mexico, Lease B-2516

Carper Drilling Company, Inc.
Carper Building
Artesia, New Mexico

Gentlemen:

Reference is made to the above captioned Unit Agreement approved by this office on September 19, 1947 as per application for unitization submitted by Barney Cockburn, Inc., Artesia, New Mexico on June 20, 1947.

Our records reveal that you purchased Lease B-2516 from the Barney Cockburn Company on July 22, 1952. Since you are the sole owner of all acreage in the Barney Cockburn Unit Agreement consisting of the SW/4 of Section 29, Township 17 South, Range 33 East, and we were never notified of a transfer or dissolution was ever consummated by you and Barney Cockburn, Inc., we are requesting your advice as to the present status of this Unit Area.

An early reply will be appreciated.

Very truly yours,

W. A. [Signature]
Commissioner of Public Lands

cc: Barney Cockburn, Inc.
Artesia, New Mexico (1)
W. A. Cockburn Survey
Artesia, New Mexico (3)
Oil Conservation Division ✓
Artesia, New Mexico (1)

cc

ILLEGIBLE

STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

October 23, 1947

Mr. Neil B. Watson
Attorney At Law
Artesia, New Mexico

RE: Case No. 107 - Petition of Barney
Cockburn, Inc. for an unorthodox
well location.

Dear Mr. Watson:

Inclosed please find two copies of Order No. 727 relating to
the above caption case, and copy of "Certificate of Approval"
from the Commissioner of Public Lands.

Very truly yours,

GEORGE A. GRAHAM
Attorney
Oil Conservation Commission

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 107

ORDER NO. 727

IN THE MATTER OF THE APPLICATION OF BARNEY
COCKBURN, INC. FOR AN UNORTHODOX WELL LOCATION
IN THE NE $\frac{1}{4}$ OF THE SW $\frac{1}{4}$ (1330 feet north of the
south line and 1330 feet east of the west line)
of SECTION 29, TOWNSHIP 17 SOUTH, RANGE 33 EAST
IN LEA COUNTY, NEW MEXICO, IN CONNECTION WITH AN
APPLICATION FOR UNIT OPERATION OF NEW MEXICO
STATE OIL AND GAS LEASE NO. B-2516 INSOFAR AS IT
COVERS THE SW $\frac{1}{4}$ OF SECTION 29, TOWNSHIP 17 SOUTH,
RANGE 33 EAST.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on regularly for hearing at 10:00 o'clock A.M., July 15, 1947, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission."

NOW, on this 26th day of September, 1947, the Commission having before it for consideration the testimony adduced at the hearing of said cause and being fully advised in the premises;

FINDS:

1. That lawful public notice having been given the Commission has jurisdiction of this cause;
2. That State Oil and Gas Lease No. B-2516 insofar as the same covers the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, in the Maljamar Pool, Lea County, New Mexico, is owned by Barney Cockburn, Inc., and there now is four regularly spaced producing oil wells thereon;
3. By reason of the sub-surface geology obtained in the Maljamar Pool, there is a question whether maximum ultimate recovery of oil may be had by one well to each 40-acre tract;
4. That the Commissioner of Public Lands of the State of New Mexico has heretofore approved a unit agreement for the 160-acre tract;
5. That the unit allowable in the Maljamar Pool is 25 barrels of oil per day;
6. That the Commission has no objection to an unorthodox well location in the approximate center of the unit, provided production from the unit area will not exceed the allowable in the pool for four 40-acre tracts.

IT IS ORDERED AND DECREED:

1. That the application of Barney Cockburn, Inc. for the unitization of New Mexico State Oil and Gas Lease No. B-2516 insofar as the same covers the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, heretofore termed the 160-acre tract as approved by John L. Miles, Commissioner of Public Lands of the State of New Mexico, be and the same is hereby approved; provided, however, that the applicant Barney Cockburn, Inc., shall within a reasonable time file a statement with the "Commission" and with the New Mexico State Land Office certifying to unit operation, to show and warrant full compliance for the unit.

b. That proper notice of intention to drill an additional well to be known as Shell State Well No. 5 in the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ (1330 feet north of the south line and 1330 feet east of the west line) of Section 29, Township 17 South, Range 33 East in the Maljamar Pool, Lea County, New Mexico, will be approved by the Commission upon presentation, provided other requirements of the Commission have been met.

c. That in event of production from the fifth well the unit shall not be produced in excess of the unit allowable in the Maljamar Pool for four 40-acre tracts.

DONE at Santa Fe, New Mexico, on the year and date hereinabove designated.

OIL CONSERVATION COMMISSION

Thomas J. Mabey
CHAIRMAN

John E. Miles
MEMBER

R. L. Purrier
SECRETARY

CERTIFICATE OF APPROVAL

STATE OF NEW MEXICO


The undersigned, having this day examined the application of BARKLEY COCKBURN, INC. for unit operation of State Oil and Gas Lease No. B-2516, herein termed the COCKBURN UNIT covering the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, New Mexico, M. M. P. M. all of which lands are state lands and under the same institutional ownership and in the Maljamar Pool, Lea County, New Mexico; and

WHEREAS, upon examination thereof, the Commissioner finds:

- a. That such an agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said pool;
- b. That under the operations proposed, the State will receive its fair share of the recoverable oil or gas in place under the lands affected;
- c. That the agreement is in other respects to the best interests to the State;
- d. That the agreement provides for the allocation of production not in excess of the unit allowable for the Maljamar Pool.

NOW, THEREFORE, by virtue of the authority vested in me by Chapter 38 of the New Mexico Session Laws of 1943, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of this State, do hereby consent to and approve the said COCKBURN UNIT application and agreement as to the state lands included therein, subject, however, to all applicable provisions of the legislative act aforesaid.

EXECUTED this 19th day of September, 1947, at Santa Fe, New Mexico.


Commissioner of Public Lands
of the State of New Mexico.

4007
Moreland J. Hartwell

CONSULTING GEOLOGIST

P. O. BOX 593

MIDLAND, TEXAS

July 14, 1947

Mr. Barney Cockburn
Carper Building
Artesia, New Mexico

Dear Mr. Cockburn:

During our various discussions regarding your properties in the Maljamar Area or Lea County, New Mexico, you have requested that consideration be given as to the best efforts of producing these leases to secure the maximum production with the greatest conservation of gas or reservoir energy.

I have had considerable opportunity to check the conditions in the Maljamar Field during a number of years and I believe that a program which would call for the drilling of a fifth well in the center of each 160-acre tract that has been fully developed by one well per 40-acre unit would give the desired results.

Even better results could be obtained by the drilling of a complete five-spot pattern with a well at the center of each of the 160-acre unit boundaries as well as the middle of the 160-acre unit. However, the varying lease operators and interest holders makes such a project so difficult to promote that it is not feasible.

It is my belief that the well in the center of each 160-acre tract, as mentioned above, will greatly increase your ultimate recovery. It is highly probable that one well per forty acres will drain that forty acres so that the fifth well may be expected to recover

at least 80 percent as much oil as the other wells. Since it is the desire of every efficient operator to recover the maximum amount of oil from a lease, this is greatly to be recommended.

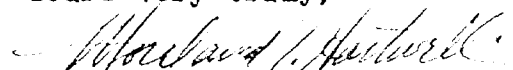
The Maljamar field is a reservoir with a number of producing horizons with varying permeability as well as the character of the horizon itself. Such a condition is not conducive to satisfactory re-pressuring by simple injection of gas into the entire producing section as channeling usually occurs. Any other method involves the use of packers, perforating of casing, etc. This latter would be found to be extremely expensive and be dependent upon too many physical conditions.

The most economical method would then be that recommended in this letter.

In addition to the above factors, a fifth well should give greater recovery with less loss of reservoir energy. The additional well should enable the operator to produce his allowable without flowing each well to such a great degree.

In accordance with the above, it is my opinion that a well should be drilled in the center of the SW/4 of Section 29, the NW/4 of Section 30, both in Township 17 South, Range 33 East; the NE/4 and the NW/4 of Section 25, Township 17 South, Range 32 East, Lea County, New Mexico.

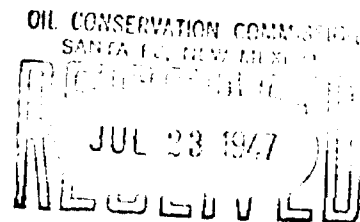
Yours very truly,


Moreland T. Hartwell

MTM:e

NEIL B. WATSON
ATTORNEY AT LAW
ARTESIA, NEW MEXICO

July 16, 1947



Geo. G. Graham

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

The undersigned Barney Cockburn, who is the petitioner in an application for unorthodox state well location on State Lease B-2516, hereby advises that said lease has been transferred to Barney Cockburn, Inc. (No Stockholders' Liability) a corporation, by assignment No. 5 approved by the Commissioner of Public Lands June 18, 1947.

The undersigned petitioner hereby joins in the request made by the attorney for petitioner to amend the petition herein to request that the order permitting unorthodox well location be made in favor of Barney Cockburn, Inc. (No Stockholders' Liability), a corporation, box 115, Artesia, New Mexico.

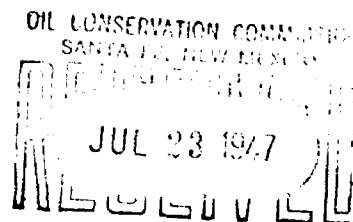
The undersigned Barney Cockburn is president and general manager of Barney Cockburn, Inc. (No Stockholders' Liability) a corporation.

Neil B. Watson
Attorney for Petitioner

Barney Cockburn
Petitioner

NEIL B. WATSON
ATTORNEY AT LAW
ARTESIA, NEW MEXICO

July 16, 1947



Geo. Graham

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

The undersigned Barney Cockburn, who is the petitioner in an application for unorthodox state well location on State Lease B-2516, hereby advises that said lease has been transferred to Barney Cockburn, Inc. (No Stockholders' Liability) a corporation, by assignment No. 5 approved by the Commissioner of Public Lands June 18, 1947.

The undersigned petitioner hereby joins in the request made by the attorney for petitioner to amend the petition herein to request that the order permitting unorthodox well location be made in favor of Barney Cockburn, Inc. (No Stockholders' Liability), a corporation, box 115, Artesia, New Mexico.

The undersigned Barney Cockburn is president and general manager of Barney Cockburn, Inc. (No Stockholders' Liability) a corporation.

Neil B. Watson
Attorney for Petitioner

Barney Cockburn
Petitioner

NEIL B. WATSON
ATTORNEY AT LAW
ARTESIA, NEW MEXICO

July 16, 1947

Honorable John E. Miles
Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

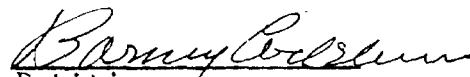
Dear Governor Miles:

Re: Application of Barney Cockburn for unit
operation on State Lease B-2516

Confirming the statement and request made by my attorney at the hearing on the above application, I advise that lease B-2516 as to the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, N.M.P.M., has been assigned by me to Barney Cockburn, Inc. (No Stockholders' Liability) a corporation, by assignment approved by you under date of June 18, 1947.

It is, therefore, requested that the application for unit operation be amended and that upon approval of said application Barney Cockburn, Inc. (No Stockholders' Liability) a corporation, be designated as the unit operator.

The undersigned Barney Cockburn is president and general manager of Barney Cockburn, Inc. (No Stockholders' Liability) a corporation.


Petitioner


Attorney for Petitioner

H. W. Snowden, Ltd. is the sole owner of the working interests of certain 160 acre tracts, all under U. S. Government leases in the Square Lake pool. Each 160 acre tract here to be considered contains one well in each 40 acre tract of each 160 acre tract, or in case any 160 acre tract does not have one well to each 40 acre tract therein such 160 acre tract will have one well in each 40 acres — making four wells to each 160 acre tract, each well located in the center of each 40 acre tract. Considering tightness of the producing formation, it is believed that the four wells described in each 160 acre tract are insufficient to make a substantially complete recovery in this.

The area in the center of each 160 acre tract tends to be incompletely drained, thereby leaving substantial amounts of oil unrecovered by the four wells in the center of each 40 of such 160 acre tract. It is believed that a fifth well in the center, or approximately so, of each such 160 acre tract would make a substantial increase in recovery of oil that would otherwise be lost, thereby effecting a saving in the prevention of underground waste.

The foregoing encounters the following obstacles:

1. The center location of 160 is in violation of the established spacing practice, but it is understood, off the record, that such spacing will be agreeable to the Oil and Gas Supervisor, subject, of course, to approval of the Secretary of the Interior.
2. The fifth well complicates the Oil Conservation Commission's well-established system of proration to each 40 acre unit, regardless of the number of wells upon such unit. The location of the fifth well in the center of the 160 would only in theory be in the exact center thereof, so as to apportion the production of the fifth well to each 40 acre unit.

Possible Solution:

Enlarge the proration unit to a unit of 160 acres, whose allocation could not, of course, be greater than four times the top unit allowable of the standard 40 acre proration unit. Therefore, the allocation could be to the 160 acre tract instead of to each 40 acre tract within such 160 acre tract. Most of the wells in each 160 acre tract here under consideration are marginal wells, some of which produce as low as five to seven barrels. Now should the fifth well in the center of the 160 acre tract prove to be of such capacity that for a time it could make up the difference between the sum of the four marginal wells and the proposed top unit allowable for the 160 acre tract (4 times a standard 40 acre top unit allowable), consideration should be given as to whether it would be wise to permit such high production (because of possible tendency to increase gas-oil ratio, or for other reasons). It might, therefore, be desirable for the reason named to limit the production from such fifth well as to prevent physical injury, however, an increased production is permitted for deep pools and it would seem that a stepped-up production from one well in the center of a 160 for the Square Lake pool would be no more likely to cause injury than for a stepped-up production now granted to deep pools.

The foregoing statement of facts as to a single working interest ownership and a single land ownership is of the simplest nature, and would, consequently, not seem to involve the necessity of a unitization agreement, since the one working interest ownership has no one else with whom to join in a unitization agreement. For proration reasons, obviously it would be necessary for approval of the Oil Conservation Commission by order upon petition and hearing before the Commission, as provided by law, and it would also be necessary for approval by the Secretary of the Interior, which approval could be in the nature of a proposal by the working interest, setting out the pertinent facts. As already indicated, the proposal to the Commission for approval would be upon petition, reciting the pertinent facts and the salient conservation reasons, for a hearing and for an appropriate order.

Anyone or all of such enlarged proration units may prove to be undesirable after trial, and the working interest may wish to return to the orthodox 40 acre proration unit. In the proposal to the Secretary of the Interior, provision could be made for dissolution of any one or more units upon approval by the Secretary and notification to the Commission. The order approving the enlarged proration unit could be limited to endure until the first day of the proration month next succeeding such notification to the Commission.

The dissolution of the order and the proposal brings up the disposition of the 5-spot well. Such well should not be produced as an oil well, but could be either plugged or used as an in-pit well.

What is actually desired on the part of the working interest is permission to 5-spot in the center of the 160, but in order to do so spacing and proration unit involvements have to be coped with. The burden is on the working interest to overcome the long-established spacing and proration unit rule in New Mexico, and both proposal and petition should be clearly and well worked out for presentation, then the working interest or the petitioner would have to take his chances upon any opposition that might develop at the hearing, a matter which the law leaves open to any interested party to object or be otherwise heard at any hearing for the promulgation of an order.

It is reasonable to believe that similar cases will arise, but not with the simple one-man working interest ownership and the single land ownership. Where the working interest ownership and the land ownership within a 160 acre unit are varied, then doubtless the matter should take the form of a unitization agreement, but could not be altogether on the plan of the Picacho unit agreement, since in that agreement the spacing and proration units remain orthodox.

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The Oil Conservation Commission of New Mexico pursuant to law, hereby gives notice of the following hearings to be held July 15, 1947, beginning at 10:00 A.M., on said day at Santa Fe, New Mexico:

Case 103

In the matter of the petition of the Leonard Oil Company, a New Mexico corporation, Roswell, New Mexico for authority to deepen Leonard Oil Company's State Well No. 8, located in Eddy County, New Mexico, 1177 feet north of the south line and 1230 feet west of the east line of Section 21, Township 17 south, Range 29 east to the oil producing horizon of that vicinity.

Case 104

In the matter of the application of Walter Fazarrias Jr., for permission to purchase and process tank bottoms, Pit Oil, Gasoline Plant "Catchings", and other Oil or Waste not otherwise Merchantable, and to sell the merchantable crude derived therefrom.

Case 106

In the matter of application of the Oil Conservation Commission of New Mexico, upon its own motion for an order, as recommended by the New Mexico Nomenclature Committee, supplementing Supplemental Order No. 6 to Order No. 633, and relating to overlap in defining boundaries of Leco Hills and Grayburg-Jackson pools, Eddy County, New Mexico.

Case 107

In the matter of the application of Barney Cockburn, for an unorthodox well location in Eddy County, in the NE $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, N.M.P.M., on State lease B-2516 in connection with an application for unit operation.

Case 108

In the matter of the application of Southern Union Gas Company for approval of the "Open Unit Agreement", Eddy County, New Mexico, embracing the following lands:

Sections 17, 18, 19, 20, 29, 30, 31, 32 and the SE $\frac{1}{4}$ and NE $\frac{1}{4}$ of Section 33, in Township 18 South, Range 24 East, N.M.P.M.; Sections 4, 5 and 6, in Township 19 South, Range 22 East, N.M.P.M.; Sections 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35 and 36 in Township 18 South, Range 23 East, N.M.P.M.; Sections 1, 2, and 3 in Township 19 South, Range 23 East, N.M.P.M., containing 17,120 acres, more or less.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico on June 27, 1947.

Oil Conservation Commission

By: *N.K. Gardner*

Secretary

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The Oil Conservation Commission of New Mexico pursuant to law, hereby gives notice of the following hearings to be held July 15, 1947, beginning at 10:00 A.M., on said day at Santa Fe, New Mexico:

Case 100

In the matter of the petition of American Employers Insurance Company for an order directed to Charles R. Tarkenton, address unknown, W. R. Childers, Hobbs, New Mexico and Gene R. Burke, Hobbs, New Mexico to show cause why a well located in Chaves County, New Mexico in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 33, Township 11 South, Range 25 East, N.M.P.M., should not be declared abandoned and ordered plugged.

Case 101

In the matter of the petition of American Employers Insurance Company for an order directed to Frank Griggs, Lubbock, Texas, John Darden, Lubbock, Texas and John H. Hawkins, Fort Sumner, New Mexico to show cause why a well located in DeBaca County, New Mexico, in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 4 North, Range 26 East, should not be declared abandoned and ordered plugged.

Case 102

In the matter of the petition of American Employers Insurance Company for an order directed to San Juan Oil & Gas Co., Inc., 922 North Second Street, Phoenix, Arizona, G. R. Cassady, 922 North Second Street, Phoenix, Arizona, Arthur Wilson, Phoenix, Arizona, L. E. Snively, 900 East Van Buren, Phoenix, Arizona, A. H. Vaughn, 2314 Oak St., Phoenix, Arizona, J. A. DeWar, 2138 East Yale Street, Phoenix, Arizona, to show cause why a well located in San Juan County, New Mexico, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 19, Township 29 North, Range 11 West, should not be declared abandoned and ordered plugged.

Case 103

In the matter of the petition of the Leonard Oil Company, a New Mexico corporation, Roswell, New Mexico for authority to deepen Leonard Oil Company's State Well No. 8, located in Eddy County, New Mexico, 1177 feet north of the south line and 1230 feet west of the east line of Section 21, Township 17 south, Range 29 east to the oil producing horizon of that vicinity.

Case 104

In the matter of the application of Walter Famariss Jr., for permission to purchase and process tank bottoms, Pit Oil, Gasoline Plant "Catchings", and other oil or waste not otherwise merchantable, and to sell the merchantable crude derived therefrom.

Case 105

In the matter of the application of the Panhandle Carbon Company, Inc., for an extension for ten years of its permit heretofore granted November 27, 1944 respecting use of residue and/or flare gas in the manufacture of carbon black.

Case 106

In the matter of application of the Oil Conservation Commission of New Mexico, upon its own motion for an order, as recommended by the New Mexico Nomenclature Committee, supplementing Supplemental Order No. 6 to Order No. 633, and relating to overlap in defining boundaries of Loco Hills and Grayburg-Jackson pools, Eddy County, New Mexico.

Case 107

In the matter of the application of Barney Cockburn, for an unorthodox well location in Eddy County, in the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 29, Township 17 South, Range 33 East, N.M.P.M., on State Lease B-2516 in connection with an application for unit operation.

Case 108

In the matter of the application of Southern Union Gas Company for approval of the Hope Unit Agreement, Eddy County, New Mexico, embracing the following lands:

Sections 17,18,19,20,29,30,31,32 and the S $\frac{1}{2}$ and NW $\frac{1}{4}$ of Section 33, in township 18 South, Range 24 East, N.M.P.M.; Sections 4,5 and 6, in township 19 South, Range 23 East, N.M.P.M.; Sections 13,14,15,22, 23,24,25,26,27,34,35 and 36 in township 18 South, Range 23 East, N.M.P.M.; Sections 1,2, and 3 in Township 19 South, Range 23 East, N.M.P.M., containing 17,120 acres, more or less.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico on June 27 1947.

OIL CONSERVATION COMMISSION

BY: *R R Spurrier*

R. R. SPURRIER, Secretary

NEIL B. WATSON
ATTORNEY AT LAW
ARTESIA, NEW MEXICO

June 20, 1947

Oil Conservation Commission,
Santa Fe, New Mexico.

Gentlemen:

I am enclosing Petition of Barney Cockburn
for Unorthodox Location on State Lease B-2516
in connection with Application made to the
State Land Office for a unit operation on the
160 acres described herein.

I received the memorandum made by Mr. Carl
Livingston, for which I thank you, and I have
also gone over the matter with Mr. Shugart
in connection with his conference with Mr.
Dick Spurrier and trust that the Petition,
with the attached Application, meets your
requirements.

Yours very truly,

Neil B. Watson
Neil B. Watson.

NBW:lve

Dear Dick:

*Please advise as soon as
possible if we can get this
up for hearing at the July
session of the commission.*

N.B.W.

DEPARTMENT OF LANDS AND MINES

OF THE

STATE OF NEW MEXICO

Re: Application of
Barney Cookburn for
Unit Operation on
State Lease B-2516

Honorable John E. Miles
Commissioner of Public Lands
Santa Fe, New Mexico

Comes now Barney Cookburn of Artesia, New Mexico,
and makes application to the Commissioner of Public Lands
for a unit operation for oil and gas purposes on state lands
and states:

1. That the petitioner herein, Barney Cookburn,
is the owner of an oil and gas lease issued by the State of
New Mexico under lease B-2516, on to the following described
lands in Lea County, New Mexico, to-wit:

SE $\frac{1}{4}$ of Section 29, Township 17 South,
Range 33 East, N.M.P.M.

That said lands are in what is known and designated as the
Salinas Pool in Lea County, New Mexico.

2. That the petitioner has four (4) producing
wells in said lease, and this lease is located,
for unit operation as follows:

Well No. 1 - NE $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed October 30, 1943.

Well No. 2 - SE $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed July 23, 1943.

Well No. 3 - NE $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed November 17, 1943.

ILLUSTRATION

Shell State No. 4 - SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed December 12, 1943.

That the present unit allowable for each of the proration units upon which said wells are located is 25 barrels per day, and the allowable for the 160 acres is, therefore, 100 barrels per day.

3. The petitioner, on the basis of engineering information, is advised that a well in the center of each forty acre tract is not sufficient to drain and produce the recoverable oil under the said 160 acres described as the SW $\frac{1}{4}$ of Section 19, Township 17 South, Range 33 East, N.M.P.M.; and your petitioner desires to drill a well which will be located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29, T. 17 S., R. 33 E., N.M.P.M., to be known and designated as Shell State No. 5, to be located 1330 feet north of the south line, and 1330 feet east of the west line of Section 29, T. 17 S., R. 33 E., N.M.P.M. That the drilling of said well, so petitioner is informed and believes, will result in a greater recovery of the recoverable oil under said 160 acres.

4. That your petitioner desires to operate the oil and gas wells on said 160 acres as a unit by producing the four wells now located thereon, and the proposed fifth well to be drilled, into one single tank battery, and states:

(a) That such proposed unit operation will tend to promote the conservation of oil or gas and the better utilization of the reservoir energy

(b) That the entire SW $\frac{1}{4}$ of Section 29, T. 17 S., R. 33 E., N.M.P.M., is included in a single lease from the State of New Mexico, and that the entire ownership of the minerals thereon or in the same or each forty acre tract,

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and the State of New Mexico will receive its full share of the recoverable oil under the proposed unit operation, and the said four forty acre tracts included in the 160 acres are all of the same institutional lands.

5. That your petitioner desires to operate said 160 acres as a unit for the further reason that the wells now located thereon do not at this time produce the forty acre unit allowable production, and your petitioner is making application to the Oil Conservation Commission for the location of this well and for a unit allowable not in excess of four times the allowable for each single production unit in the area, so that the allowable for the 160 acres will not at any time exceed the unit top allowable for any four proration units.

6. That said well will not be nearer than 1310 feet from any boundary line of petitioner's lease, and petitioner states that said well will not have any adverse effect on any adjoining leases, and will result in increased royalties to the State of New Mexico and aid conservation and will enable petitioner to produce a greater portion of the recoverable oil under said 160 acre lease.

WHEREFORE, petitioner prays that the Commissioner of Public Lands consent to and approve the development and operation of State Lease 2-2916 as a unit, with the undersigned petitioner as the unit operator.

Petitioner

Attorney for Petitioner
Alameda, New Mexico

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

Re: Petition of Barney Cockburn for Un-
orthodox Location on State Lease
B-2516 in Connection with Applica-
tion for Unit Operation.

P E T I T I O N

COMES NOW Barney Cockburn, of Artesia, New Mexico,
and petitions the Oil Conservation Commission for an order
permitting an unorthodox well location, and states:

1. That the petitioner herein, Barney Cockburn,
is the owner of an oil and gas lease issued by the State of
New Mexico under Lease B-2516, as to the following described
lands in Lea County, New Mexico, to wit:

SW $\frac{1}{4}$ of Section 29, Township 17 South,
Range 33 East, N.M.P.M.

That said lands are in what is known and designated as the
Maljamar Pool in Lea County, New Mexico.

2. That the petitioner has four (4) producing
wells in said 160 acre lease, said wells being designated,
located and completed as follows:

Shell State No. 1 - NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed October 31, 1943.

Shell State No. 2 - SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed July 28, 1943.

Shell State No. 3 - NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed November 19, 1943.

Shell State No. 4 - SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section
29, Township 17 South, Range 33 East,
N.M.P.M., completed December 12, 1943.

That the present unit allowable for each of the proration units
upon which said wells are located is 25 barrels per day, and
the allowable for the 160 acres is, therefore, 100 barrels
per day.

3. That the petitioner, on the basis of engineering information, is advised that a well in the center of each 40 is not sufficient to drain the said 160 acres described as the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, N.M.P.M., of the recoverable oil, and your petitioner desires to drill a well in the approximate center of said SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, N.M.P.M., to be known and designated as "Shell State Well No. 5" and to be located 1330 feet north of the south line and 1330 feet east of the west line of said Section 29. That the drilling of said well, so petitioner is informed and believes, will result in a greater recovery of the recoverable oil under said lease B-2516 as to the SW $\frac{1}{4}$ of Section 29, Township 17 South, Range 33 East, N.M.P.M.

4. That your petitioner herein desires to operate the oil and gas wells on said 160 acres as a unit, by producing the four wells now located thereon, and the proposed fifth well to be drilled, into one single tank battery, and your petitioner has made and filed an application with the State Land Office of the State of New Mexico, copy of which is hereto attached and made a part hereof as if fully set out herein.

5. That there is attached hereto, in triplicate, petitioner's Notice of Intention to Drill said State Well No. 5, and petitioner respectfully requests approval of said location and his said Notice of Intention to Drill.

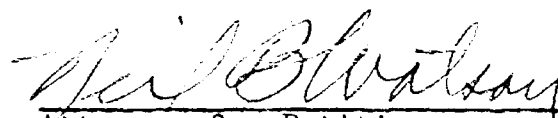
6. That said proposed well will not be nearer than 1330 feet from any boundary line of petitioner's lease, and petitioner states that said well will not have any adverse effect on any adjoining leases and will result in increased royalties to the State of New Mexico and will aid conservation

by enabling petitioner to produce a greater portion of recoverable oil under said 160 acre lease.

7. That your petitioner does not request an additional allowable for said proposed well, but has made application for the 160 acres to be operated as a unit and requests that the 160 acre unit be granted an allowable not in excess of four times the allowable for each single proration unit in the area, so that the allowable for the 160 acre lease will not at any time exceed the unit top allowable for any four proration units.

WHEREFORE, petitioner prays that he be granted permission to drill said well, to be known as Shell State Well No. 5, at the location shown herein and that such request be granted upon presentation of this Petition or, in the event the Commission desires a hearing, that a day be set for hearing this Petition, and that all proper orders be made in the premises.


Petitioner


Attorney for Petitioner,
Artesia, New Mexico.