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The world is full of
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Case No.

2225

Application, Transcript,
and Exhibits, Etc.

WHITE AND RHODES

ATTORNEYS AT LAW

SUITE 207 SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

JAMES G. WHITE
JERRY P. RHODES
ORVILLE C. MCCALLISTER, JR.

CHAPEL 2-0407
CHAPEL 2-1084

March 14, 1961

Governor Ed Mechem, Chairman
Oil Conservation Commission,
State of New Mexico
Santa Fe, New Mexico

Re: Application for an Order
Force-Pooling certain Interest
in a 160 acre gas unit in the
Fruitland Producing Interval
undesignated, San Juan County,
New Mexico

Dear Sir:

The undersigned attorney for Kay Kimbell, Operator, whose address is P. O. Box 1540, Fort Worth, Texas, hereby makes application to the Oil Conservation Commission for an order force-pooling certain interest in a 160 acre gas unit embracing the Fruitland producing interval and in connection therewith submits the following:

1. The acreage embraced within the desired 160 acre unit is described as follows:

The Southwest Quarter (SW/4) of Section 22,
Township 29 North, Range 11 West, N. M. P. M.,
San Juan County, New Mexico.

2. The Oil Conservation Commission is requested to issue an order force-pooling all unleased minerals within the above described 160 acre unit. Said unleased minerals and the ownership thereof being as follows:

Tract 4 Lots 16 and 17, Block 1, Bloomfield,
New Mexico. Owners, Mrs. J. A. Johnson and
Miss Jennie Kissel, 1060 Stomper Road,
Fayetteville, North Carolina.

Tract 5 Lots 26, 27 and 28, Block 2, Bloomfield
Townsite Addition. Owners, John Giacomelii and
wife, Eloise Giacomelii, Bloomfield, New Mexico

Handwritten:
Fruitland
Producing Interval
3-27-61

Handwritten:
99% committed
015
103266

Handwritten:
Copy Fruitland (160)

Governor Ed Mechem

Tract 6 Lots 10, 11, 12, 13 and 14, Block 3, Bloomfield Townsite Addition. Owners, The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints, a Utah Corporation; address in care of Vernon Snyder, Attorney at Law, Salt Lake City, Utah.

Tract 9 Lot 14, Block 6, Bloomfield Townsite Addition. Owners, John Giacomelli and wife, Eloise Giacomelli, Bloomfield, New Mexico

3. That reasonable efforts have been made to secure oil and gas mining leases on the unleased minerals and consent to pooling.

4. That the applicant's mineral ownership in the area makes it completely impractical to form a standard Fruitland gas unit using acreage outside the above described 160 acre tract. ?

5. That the approval of the subject application will neither cause waste nor impair the correlative rights and denial of the application would tend to deprive the owners in said unit to recover their just and equitable share of the hydrocarbons under the 160 acre unit.

6. The following is a list of interested parties and their addresses:

Kay Kimbell, Operator, P. O. Box 1540, Fort Worth, Texas.

✓ Roy L. Cook, 212 Thatcher Building, Pueblo, Colorado.

El Paso Natural Gas Products Company, Box 1565, Farmington, New Mexico

Mrs. J. A. Johnson and Miss Jennie Kissel, 1060 Stomper Road, Fayetteville, North Carolina.

John Giacomelli and wife, Eloise Giacomelli, Bloomfield, New Mexico.

The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints, a Utah Corporation, in care of Mr. Vernon Snyder, Attorney at Law, Salt Lake City, Utah.

6
3-23-61
J

Governor Ed McChesney

Joe Salmon and Marion S. Salmon, his wife,
Bloomfield, New Mexico.

Mr. Thomas F. Scettcher, 650 West Pierson,
Phoenix, Arizona.

Mrs. Edward M. Reid, Jr., 12215 Southwest
Douglas, Portland 25, Oregon.

Richard Shiershke and Xemina Shiershke,
805 West Naomi Avenue, Arcedina, California.

W. L. Thurston and Mary L. S. Thurston,
220 East Zia, Aztec, New Mexico.

Thomas R. McDaniel and Bertha A. McDaniel,
Bloomfield, New Mexico.

C. C. Cheney and Myrta Cheney
Box 111, Bloomfield, New Mexico.

Manuel Madrid and Ophelia Madrid,
Bloomfield, New Mexico.

Bruno C. Giovianini and Auvon A. Giovianini,
Bloomfield, New Mexico.

M. L. Faverino and Mary Faverino; and Raymond
Louise, Bloomfield, New Mexico.

Miguel Velesquez and Adriana Velesquez,
Bloomfield, New Mexico.

Carl J. May and Leila O. May,
Bloomfield, New Mexico.

John Dallabetta and Rosl Dallabetta
Bloomfield, New Mexico.

Jack S. Webb, Victoria B. Webb and
Dorothy Sullivan, 917 North Lincoln,
Farmington, New Mexico.

William Faverino and Betty Faverino,
Bloomfield, New Mexico.

Eloy Gomez and Stella M. Gomez,
Bloomfield, New Mexico.

Governor Ed Mechem

Ernest Sategne and Louise M. Sategne,
Bloomfield, New Mexico

Margaret Dunn, Executrix of the Estate of
John A. Wilmer, deceased, and Mary Ellen Wilmer,
sole devisee of John A. Wilmer, deceased,
care of Mr. E. Ellison Hatfield, Attorney at
Law, Lee Building, Durango, Colorado.

Harriet M. McClure,
Bloomfield, New Mexico.

7. Applicant requests a hearing before the Commission
at the earliest possible date.

Yours very truly,

WHITE AND RHODES

By Orville C. McAllister

OCM:rg

lrm
4/10
DRAFT

RSM/esr
April 10, 1961

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

1/10
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

Don
4/11
CASE No. 2235

Order No. R- ~~1438~~

1939

Ad
4/11
APPLICATION OF KAY KIMBELL
FOR AN ORDER FORCE-POOLING
ALL MINERAL INTERESTS IN A
160-ACRE GAS PRORATION UNIT
IN THE AZTEC-FRUITLAND GAS
POOL, SAN JUAN COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
April 5, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission," in accordance
with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of April, 1961, the Commission,
a quorum being present, having considered the application, the
evidence adduced, and the recommendations of the Examiner,
Daniel S. Nutter, 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 applicant, Kay Kimbell, seeks an order force-
pooling all mineral interests in the Aztec-Fruitland Gas Pool in
the SW/4 of Section 22, Township 29 North, Range 11 West, NMPM,
San Juan County, New Mexico, in order to form a 160-acre gas pro-
ration unit.

(3) That in view of the smallness of some of the mineral
interests which the applicant seeks to have force-pooled, ~~the~~
~~applicant has made~~ ^{has been made} reasonable and diligent effort to secure
the approval of ~~the~~ mineral interest owners to the formation
of the above-described gas proration unit.

(4) That inasmuch as denial of the subject application
would deprive, or tend to deprive, the mineral interest owners
in the above-described tract of the opportunity to recover

their just and equitable share of the hydrocarbons in the Aztec-Fruitland Gas Pool, all mineral interests therein should be force-pooled to form a 160-acre gas proration unit.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of hydrocarbons from the Aztec-Fruitland Gas Pool underlying the SW/4 of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, are hereby force-pooled to form a 160-acre gas proration unit comprising all of said acreage. Said unit is to be dedicated to the Kay Kimbell Well No. 2, located in the SE/4 SW/4 of said Section 22.

PROVIDED HOWEVER, That the proportionate share of the cost of drilling and completing said Kay Kimbell Well No. 2 shall be borne by each consenting working interest owner in the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

PROVIDED FURTHER, That the proportionate share of the cost of drilling and completing said well which is to be paid out of production by each non-consenting working interest owner shall be 125 per cent of the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

PROVIDED FURTHER, That the share of the well costs, as determined above, which is to be paid by the mineral interest owners shall be withheld only from the working interests' share (7/8) of the revenues derived from the sale of the hydrocarbons produced from the well on the pooled unit. Royalty payments are not to be affected by the withholding of any funds for the purpose of paying out a proportionate share of the cost of drilling and completing said well.

~~IT IS THEREFORE ORDERED:~~

(2) That the effective date of this order shall be December 1, 1960, which was the date of first production.

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

(3) That jurisdiction of this cause is hereby retained for the entry of such further orders as the Commission may deem necessary.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APRIL 6, 1961

EXAMINER HEARING

IN THE MATTER OF
:

CASE 2235: Application of Kay Kimbell for an order force-
pooling a 160-acre gas proration unit in the :
Aztec-Fruitland Gas Pool. Applicant, in the :
above-styled cause, seeks an order force-pool- :
ing all mineral interests in the Aztec-Fruit- :
land Gas Pool in the SW/4 of Section 22, Town- :
ship 29 North, Range 11 West, San Juan County, :
New Mexico, including those of Mrs. J.A. John- :
son, Miss Jennie Kissell, Mr. and Mrs. John :
Giscomelli, and The Corporation of the Presid- :
ing Bishop of the Church of Jesus Christ of :
Latter Day Saints. :
:

BEFORE:

Daniel S. Nutter

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: We will take next No. 2235.

MR. MORRIS: Case 2235. Application of Kay Kimbell for
an order force-pooling a 160-acre gas proration unit in the Aztec-
Fruitland Gas Pool.

MR. McCALLISTER: Orville McCallister, representing the
applicant. I have one witness.

(Witness sworn)

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ALBUQUERQUE, NEW MEXICO



MR. McCALLISTER: This is an application to force-pool unleased minerals in the southwest quarter of Section 22, Township 20 North, Range 11 West.

JAMES G. WHITE,

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. McCALLISTER:

Q Would you state your name, address and occupation?

A James G. White, Attorney at Law, Albuquerque, New Mexico.

Q Mr. White, do you represent the applicant, Kay Kimbell, in the oil and gas property?

A I do.

Q Would you state in your own words the efforts made to secure voluntary pooling of the southwest quarter of Section 22?

A A Mr. Roy L. Cook is the lessee on the leased minerals in this unit, and he has made diligent efforts to secure leases on the unleased minerals. He has informed me of this by telephone on numerous occasions, personal visits to my office, and copies of correspondence to the unleased mineral owners. Likewise, the man who handles the leasing for Mr. Kay Kimbell, the applicant, has informed me on numerous occasions of his efforts to secure lease on these minerals.

Q Mr. White, did you represent Kay Kimbell in an application to force-pool the same mineral interests under a Dakota well

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in the entire west half of Section 22:

A I did, together with other unleased mineral interests.

Q I have here the case file No. 2057 of the application of forced-pooling on the Dakota producing interval involving the same unleased minerals. I would like to introduce this as evidence, and have the Commission take administrative notice thereof.

MR. NUTTER: You would like us to take administrative notice of Case No. 2057 and the record therein, as it applies to the west half of 22 in the forced-pooling?

MR. McCALLISTER: Yes. There's testimony of Mr. Roy Cook pertaining to his efforts to secure voluntary entry into the Dakota producing interval in the same unleased mineral under the same lease.

MR. NUTTER: All the acreage that is included in the hearing in this previous case, all of the acreage that is in this present case is in the previous case, is that correct?

MR. McCALLISTER: That's right. That involves the entire west half of the Section 22. This involves the southwest quarter of Section 22.

MR. NUTTER: We will take administrative notice of the hearing of Case 2057 in the record.

Q (By Mr. McCallister) Mr. White, do you have anything further to say?

A No.

MR. McCALLISTER: I have no further questions.



CROSS-EXAMINATION

BY MR. NUTTER:

Q Mr. White, does this application involve the forced-pooling of leased minerals as well as unleased minerals?

A No, only unleased minerals.

Q These unleased minerals, they include what would be working interests as well as royalty interests, is that correct?

A That's correct.

Q What percentage of the mineral interests in the southwest quarter of Section 22 are committed to this unit and to this well at the present time?

A Can I give you an approximate figure? I would say ninety-nine percent has been committed to the unit. The unleased minerals consist of town lots and just a fraction of an acre in each tract. I believe I can give you this thing here. For instance, to give you an idea, I have worked out a proposed division order which includes the unleased minerals and the percentage that is one-eighth of the production attributable to their interest. For instance, on one unleased mineral tract, .015692 percent. Another would be .0032266 percent. Another would be .005794 percent. The other one would be .020000. That would amount to a little over an acre, probably.

Q That's the unleased minerals?

A Yes.

Q Those four figures?

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A Yes.

Q That's the entire unleased or uncommitted acreage?

A That's right.

Q The total comes up to what percent of the total 160 acres?

A Well, .13415. It would be .072216.

Q In the application, you mentioned that there are unleased minerals under four tracts, being Tract 4, Tract 5, Tract 6 and 9. Are those the four tracts that you just enumerated?

A Yes, sir. Actually, the application was set up from our title opinion where we classified them by tracts for easier handling.

Q Have all of these owners in these tracts been contacted --

A Yes, sir.

Q -- about joining the unit?

A Yes. For instance, the Mormon Church, it would appear that their interest is so small and the trouble that it would cause to present the lease to their elders or whatever they have to do, would be too much work and trouble to come in with the lease on this thing. That is the report to me.

Q Tract 5 and Tract 9 are owned by John Giacomelli and his wife?

A Yes.

Q Have they expressed a desire not to join the unit?

A No, sir. As a matter of fact, they were represented by



counsel in the case filed, but what was the number of that?

Q 2037.

A You have a letter there from their counsel stating that they have no objections to force-pooling and joining the unit, provided that during payout they get their one-eighth royalty, and Mr. Kimbell, the operator, recovers one hundred twenty-five percent before their royalty reverts to a working interest.

Q That letter would apply to 320 acres to the Dakota?

A Right.

Q Would it apply to the 160 acres for a Fruitland Well?

A I can't say. I don't know.

Q How about Tract 4 owned by Mrs. Johnson and Miss Kissell in Fayetteville, Arkansas?

A Yes. I have copies of correspondence in my file where they have been contacted and no reply.. As a matter of fact, we sent a letter to them out of my office, to try to get their mineral interest leased, and got no reply at all to it.

BY MR. PAYNE:

Q Mr. White, you are aware that for administrative purposes, at least, in forced-pooling orders where there is unleased acres, that the Commission considers that the mineral interest severed insofar as we're concerned, and that the royalty owner received his one-eighth before the well was actually paid out?

A That is correct. We have no objection to that. It complicates the bookkeeping.

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Q You just withdraw on his seven-eighths until the well is paid out?

A That's right. As a matter of fact, I have proposed division order set-up which is set up in that manner. I have the unleased mineral interests set up in here as though they had signed a lease.

MR. NUTTER: Is Kay Kimbell in this case proposing any particular percentage of these people' share of the well to be withheld from their production?

A Oh, seven-eighths and give them one-eighth.

MR. NUTTER: I mean their share of the cost of the well. Do you want them to pay a hundred percent?

A Yes, one hundred twenty-five percent.

MR. NUTTER: One hundred twenty-five percent?

A Yes.

MR. NUTTER: Which was the same in the previous case?

A Yes.

MR. McCALLISTER: We would ask the Commission to prepare an order similar or like the former order on the 320 acres.

MR. NUTTER: I see.

Q (By Mr. Payne) Have you prepared an estimate of the well cost, Mr. White?

A I have one here, Mr. Payne, showing operation expenses through December. Would you like to mark this as an Exhibit?

Q Has this well actually been drilled?



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A Yes. It was completed, at least commenced, in April of last year.

Q What was shown as being dedicated to it --

A Now, that, I can't say. I don't handle those records.

Q -- because you see if there had been no voluntary communitization agreement or no forced-pooling order, then, obviously, the operator would not be the owner?

A I beg your pardon, Mr. Payne. I did file a declaration of unit on that showing, however, the unleased minerals in my declaration unit.

Q Now, the proportionate share of the unleased mineral owners from the production thus far, what is the status of that money?

A There has been no money released at all. They will get their proportionate share.

MR. NUTTER: When did the well go on production?

A I would have to verify this for you, but I think in November it was hooked up, of 1960. I think the gas is being delivered to El Paso Natural Gas Company. Of course, no payments have been made at all. As a matter of fact, I had a proposed division order here.

Q (By Mr. Payne) No payments have been made by El Paso?

A No, sir.

MR. MORRIS: I would like to set the record here straight, Mr. Nutter. I looked in the well file on this well. I believe the



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well is Well No. 2 in the southeast quarter of the southwest quarter of 22.

A That's correct.

MR. MORRIS: That well was connected on October 25, 1960, and the date of first delivery was December 1st, 1960.

MR. NUTTER: I presume there has been delivery of gas off and on since the date of first delivery?

A I don't know. I understand it's not a very good well.

MR. PAYNE: Did that show a 160-acre dedication?

MR. MORRIS: I don't remember the exact dedication that was shown on the 128. We could look that up.

A I believe that we brought the wrong file that might contain our declaration of unit on the southwest quarter. It was handled in the same manner we handled the west half. In other words, we filed a declaration of unit, stating that all the acreage was not in listing the acreage not in, and with a statement that if it was not committed to the unit, it would be forced-pooled. Then, later, we filed an amended declaration. In other words, we had some short term leases that we were trying to protect.

MR. NUTTER: I see.

A The declaration unit on the southwest quarter was handled in the same manner and did not dedicate the entire 160 acres.

MR. NUTTER: That was filed with the acreage dedication plat when the well --

A No, I'm talking about the declaration of unit that we



filed with the County Recorder's office under the terms of the oil and gas leases.

MR. NUTTER: How about the C-128, the acreage dedication plat?

A That's handled out of Fort Worth. Our office has nothing to do with it.

MR. NUTTER: We'll take administrative notice of whatever the file for this particular well in the Commission records also reflects. Do you have anything further, Mr. McCallister?
(Witness excused)

MR. McCALLISTER: Only that this estimated well cost does not reflect our examination of the records of Kay Kimbell, but was simply submitted to us by Mr. Kay Kimbell.

MR. NUTTER: You are offering this as Exhibit No. 1?

MR. McCALLISTER: Yes.

MR. NUTTER: Kay Kimbell's Exhibit 1 will be admitted in evidence.

(Whereupon, Kay Kimbell's Exhibit No. 1 was received in evidence.)

MR. NUTTER: Does anyone have anything further? If not, we will take the case under advisement.

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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in machine shorthand and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this. the 17th day of April, 1961, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

NOTARY PUBLIC

My Commission expires:

June 19, 1963

I do hereby certify that the foregoing is a correct and true transcript of the proceedings in the Bernalillo hearing of Case No. 2286 heard by me on 4-5, 1961.
Adarnley, Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



BEFORE THE OIL 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. 2235
Order No. R-1939

APPLICATION OF KAY KIMBELL
FOR AN ORDER FORCE-POOLING
ALL MINERAL INTERESTS IN A
160-ACRE GAS PRORATION UNIT
IN THE AZTEC-FRUITLAND GAS
POOL, SAN JUAN COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 5, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of April, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 applicant, Kay Kimbell, seeks an order force-pooling all mineral interests in the Aztec-Fruitland Gas Pool in the SW/4 of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, in order to form a 160-acre gas proration unit.

(3) That in view of the smallness of some of the mineral interests which the applicant seeks to have force-pooled, reasonable and diligent effort has been made to secure the approval of mineral interest owners to the formation of the above-described gas proration unit.

(4) That inasmuch as denial of the subject application would deprive, or tend to deprive, the mineral interest owners in the above-described tract of the opportunity to recover their just and equitable share of the hydrocarbons in the

-2-
CASE No. 2235
Order No. R-1939

Aztec-Fruitland Gas Pool, all mineral interests therein should be force-pooled to form a 160-acre gas proration unit.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of hydrocarbons from the Aztec-Fruitland Gas Pool underlying the SW/4 of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, are hereby force-pooled to form a 160-acre gas proration unit comprising all of said acreage. Said unit is to be dedicated to the Kay Kimbell Well No. 2, located in the SE/4 SW/4 of said Section 22.

PROVIDED HOWEVER, That the proportionate share of the cost of drilling and completing said Kay Kimbell Well No. 2 shall be borne by each consenting working interest owner in the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

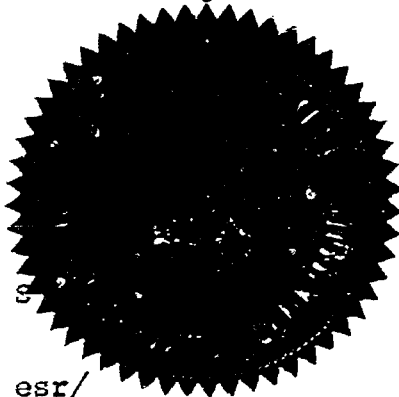
PROVIDED FURTHER, That the proportionate share of the cost of drilling and completing said well which is to be paid out of production by each non-consenting working interest owner shall be 125 per cent of the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

PROVIDED FURTHER, That the share of the well costs, as determined above, which is to be paid by the mineral interest owners shall be withheld only from the working interests' share (7/8) of the revenues derived from the sale of the hydrocarbons produced from the well on the pooled unit. Royalty payments are not to be affected by the withholding of any funds for the purpose of paying out a proportionate share of the cost of drilling and completing said well.

(2) That the effective date of this order shall be December 1, 1960, which was the date of first production.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



esr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

GOVERNOR
EDWIN L. MECHAM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

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


P. O. BOX 871
SANTA FE

April 10, 1961

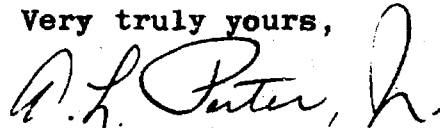
Mr. Orville McAllister
White & Rhodes
Attorneys at Law
Suite 207
Simms Building
Albuquerque, New Mexico

Re: Case No. 2235
Order No. R-1939
Applicant:
Kay Kimbell

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

tr/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

OTHER

KAY KIMBELL, OIL OPERATOR
Charges to Cook-Bloomfield Shallow Gas Well
as reflected by our records.

Cook-Bloomfield #2 - Shallow Gas

M. H. Trucking Co.	April 1960	\$ 99.96
Halliburton	" "	940.03
Industrial Supply Co.	" "	1,540.66
Malcolm Smith	" "	1,984.53
Empire States Drilling Co.	May 1960	6,547.49
Biffle Well Service Co.	" "	609.96
Jay J. Harris	" "	281.60
M. H. Trucking Co.	" "	171.36
Halliburton	" "	1,483.92
Industrial Supply Co.	" "	1,108.02
Otis Engr. Co.	" "	43.35
Geological Engr.	" "	500.00
Allen Construction Co.	June 1960	633.88
Mountain States Tele. Co.	" "	13.52
Well Production Co.	" "	20.00
Halliburton	" "	2,887.11
Industrial Supply Co.	" "	2,172.25
Schlumberger	" "	777.24
Jack Waller	" "	61.20
Supervisory-Overhead	" "	50.00
Allen Construction Co.	July 1960	95.32
Supervisory-Overhead	" "	50.00
Well Prod. Co.	August 1960	10.00
" " "	" "	5.00
Supervisory-Overhead	" "	50.00
Well Prod. Co.	September 1960	40.00
Supervisory-Overhead	" "	50.00
Supervisory-Overhead	October 1960	50.00
Supervisory-Overhead	November 1960	50.00
Supervisory-Overhead	December 1960	50.00

\$22,356.40

BEFORE EXAMINER NUTTER
C. C. CONSTRUCTION COMPANY
K. K. EXHIBIT NO. 1
CASE NO. 2235

CASE 2233: Application of Continental Oil Company for a gas-oil dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Stevens B-15 Well No. 3, located in Unit N, Section 15, Township 23 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Jalmat Gas Pool and the production of oil from the Langlie-Mattix Pool through parallel strings of 2 ½-inch casing and 4 ½-inch casing cemented in a common well-bore. Applicant also proposes to install 2-inch tubing in the 4½-inch casing.

CASE 2234: Application of Kay Kimbell for an order force-pooling a 320-acre gas proration unit in the Basin-Dakota Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin-Dakota Pool in the E/2 of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, including those of Roy L. Cook as lessee and various other parties as lessors in the E/2 NW/4 NE/4 of said Section 22.

CASE 2235: Application of Kay Kimbell for an order force-pooling a 160-acre gas proration unit in the Aztec-Fruitland Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Aztec-Fruitland Gas Pool in the SW/4 of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, including those of Mrs. J. A. Johnson, Miss Jennie Kissell, Mr. and Mrs. John Giacomelli, and The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints.

CASE 2236: Application of Socony Mobil Oil Company for an amendment of Order No. R-1528. Applicant, in the above-styled cause, seeks an amendment of Order R-1528 to eliminate the necessity of metering prior to commingling the production from the Wantz-Abo and Drinkard Pools on the E. O. Carson Lease comprising the W/2 SW/4 and the SE/4 SW/4 of Section 28, and the NW/4 and the SW/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 2237: Application of Mobil Oil Company for an unorthodox oil well location and for a non-standard oil proration unit. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its E. O. Carson Well No. 23 in an undesignated San Andres pool at a point 1980 feet from the North line and 2640 feet from the East line of Section 33,