

Case No.

182

Application, Transcript,
Small Exhibits, Etc.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

MARGINAL UNIT
SUPPLEMENTAL ALLOWABLE

DATE: _____

_____, _____, _____, _____, _____
 (Company or Operator) (Address) (Lease) (Field) (County)
 _____, _____, _____, _____, _____
 (Well No.) (Unit Letter) (Sec.) (Twp.) (Range)

The above named hereby makes application to the Oil Conservation Commission, State of New Mexico for a marginal unit Supplemental Allowable on the stated well and unit located on the lease as shown.

This application is for an allowable on this marginal unit and the quantity, herein stated represents an amount not to exceed the top unit allowable

(Barrels)
 for this field for the month of: _____, 19____; as shown in the Commission's Monthly Statewide Order and in its Proration Schedule, which is a part thereof.

This supplement when properly approved by an Authorized Agent of the Commission will permit the named company or operator to produce the quantity as shown and the connected transporter (_____) (Name)
 to transport such oil, during such month.

Signed: _____
 (Company or Operator)

By _____, (Title)

Approved:

STATE OF NEW MEXICO
 OIL CONSERVATION COMMISSION,

(Date)

By

(Agent)

Shell Oil Co.
 Exhibit A
 Case 176

- cc: Oil Conservation Commission
 Santa Fe, New Mexico
 cc: Federal Petroleum Board
 Kilgore, Texas
 cc: Connected Transporter
 cc: Company or Operator

JOHN M. KELLY
Box 5671
ROSWELL, NEW MEXICO

May 2, 1949

Mr. Neil B. Watson
Attorney-at-Law
Artesia, New Mexico

Dear Mr. Watson:

With reference to the petition filed by
V. S. Welsh, Carper Drilling Company and Max W. Coll
with the Oil Conservation Commission relative to an
unorthodox well location in the SENE of Section 36,
T-16-S, R-30-E, Square Lakes Field, New Mexico.

This is to state that if the Oil Conservation
Commission grants the petitioners the right to drill
this unorthodox well location that John M. Kelly and
associate will grant them a sublease and contract cover-
ing the operating rights to develop this acreage to a
depth of 3500 feet.

Very truly yours

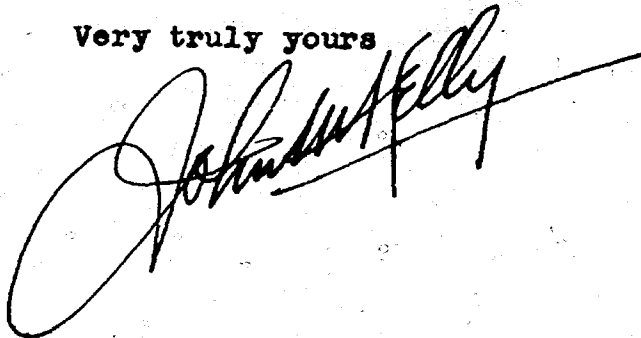
A large, stylized handwritten signature in dark ink, appearing to read "John M. Kelly". The signature is written over the typed name "John M. Kelly" and extends across the right side of the page.

Exhibit in Case 182

C O P Y

Form 9-331a
(May 1939)

APPROVED Dec. 27, 1948

JOHN A. FROST
District Engineer

(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

U. S. Land Office Las Cruces

Lease or permit No. 046250-B

Unit Williams

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	X
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF REDRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

December 22, 1948

Well No. 2B is located 1687 ft. from [N] line and 1580 ft. from [E] line of sec. 29

SW 1/4 NE 1/4 Section 29 17 28 NMPM
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Red Lake Eddy New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Shot well on December 20 with 60 quarts nitro-glycerin/as 1940-55
authorized by telephone conversation with Mr. Frost.

Well made 5 barrels before shot--12 barrels after shot.

U. S. Geological Survey
RECEIVED
Dec. 24, 1948
Artesia, New Mexico

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Red Lake Oil Company

Address Box 1056, Artesia, N.M.

By V. S. WELCH

Title Partner

Exhibit in Case 183

FIRST SURVEY.

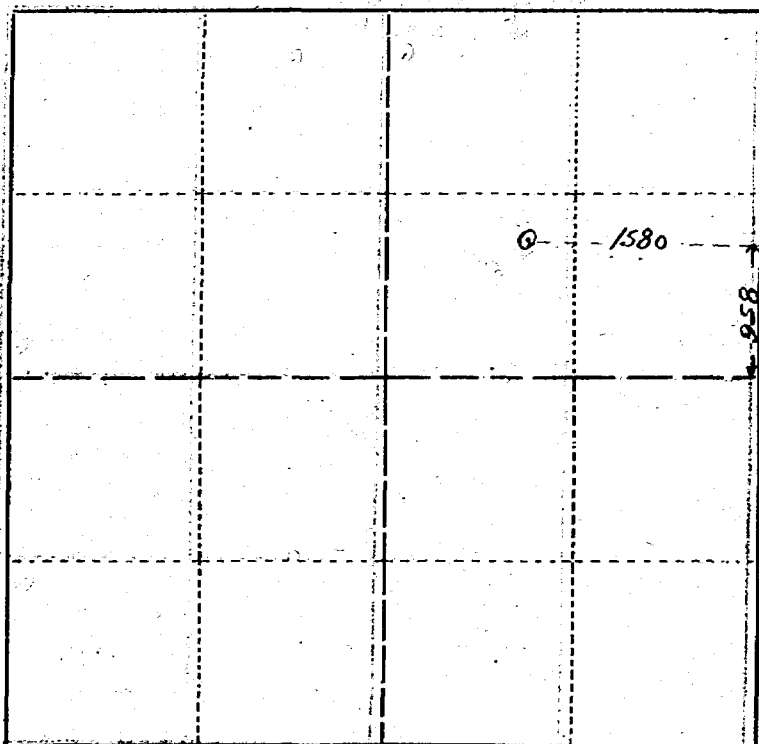
Company Red Lake Oil Co.

Lease Williams Well No. 2-B

Sec. 29 T. 17 S., R. 28 E., N.M.P.M.

Location NE $\frac{1}{4}$, SW $\frac{1}{4}$, NE $\frac{1}{4}$

County Eddy, New Mexico



Scale 4" = 1 mile.

(chained distances)

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:

Artesia, New Mexico

[Signature]
Registered Professional
Engineer and Land Surveyor.

Surveyed October 15, 1948

Exhibit in Case 183

Second Survey.

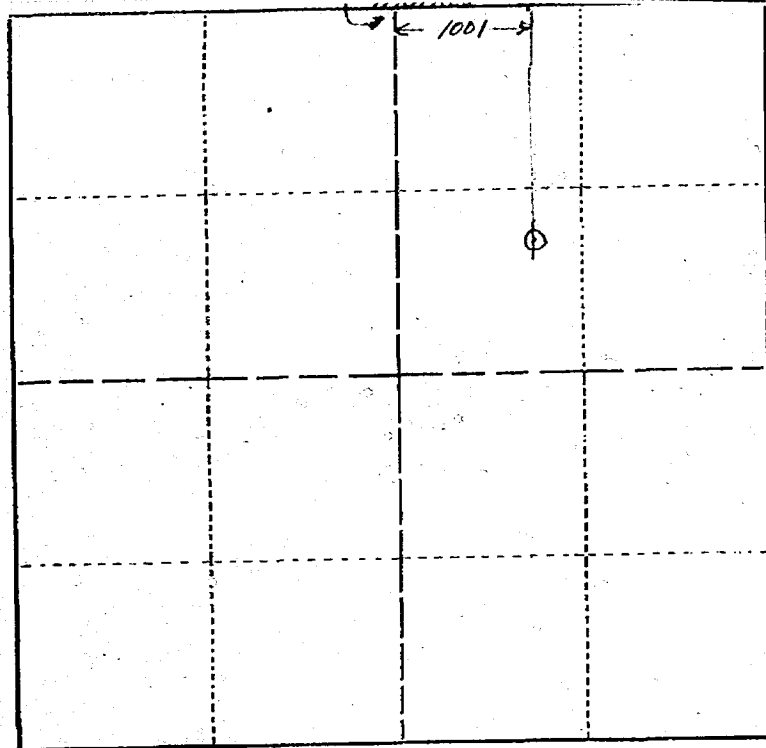
Company Red Lake Oil Co.

Lease Williams Well No2-B

Sec. 29 T. 17 S., R. 28 E., N.M.P.M.

Location NW $\frac{1}{4}$, SE $\frac{1}{4}$, NE $\frac{1}{4}$.

County Eddy New Mexico



Scale 4" = 1 mile.
(chained distantes.)

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:

Artesia, New Mexico

[Signature]
Registered Professional
Engineer and Land Surveyor.

Surveyed April 4, 19 49

Oil Conservation Commission

Hearing

May 5, 1949 - Senate Chamber

Name Representing Address

JOHN E. COCHRAN, JR.	KEWANEE OIL CO BUFFALO OIL CO BASSETT & COLLIER	ARTESIA, N. MEX.
R. D. Collier	Collier & Bassett	Artesia, N.M.
A. S. Blynn	Delfem Oil Co	Hobbs, N.M.
ROY E. WICKERLEY	OCC HOLDING	
H. H. Berger	Continental Oil Co	Ft. Worth, Tex
Elmer H. Wold	R. Olson Oil Co	Okla. City
W. Addelford	R. Olson Oil Co	Jal, New Mexico
R. S. Christie	Amurado Petroleum Corp.	Fort Worth, Tex
J. C. Blackwood	Amurado Petroleum Corp.	Midland, Tex
J. G. Coates	Cities Service Oil Co.	✓ ✓
Glenn L. Shoemaker	Stanolind Oil Pw. Co	✓ ✓
Carlton Howard	Shell Oil Co	Midland, Texas
Robert Kichison	Shell Pipeline Corp	Houston Tex
C. E. Yager	Texas Pacific Coal & Oil Co	Ft. Worth, Tex
R. G. Schuchle	Tex. Pac. Coal & Oil Co	Midland, Tex
W. T. Smith	Shell Oil Co Inc.	Midland, Tex
G. C. Brown	Shell Pipeline Corp.	Houston, Tex
W. D. Bumpers	Shell Oil Co. Inc.	Midland, Tex
Frank Povering	Shell Oil Co. Inc.	Hobbs,
E. S. Porter	Amurado Petroleum Corp.	Tulsa, Okla
W. B. Ricketts	" " " "	" " "
J. O. Kitchman	" " " "	Midland, Tex
J. E. Lovett	" " " "	Ft. Worth
George W. Selinger	Shell Oil Co.	Tulsa, Okla
J. P. Mulvaney	" " " "	Hobbs
J. B. Kinschold	Lea County Oper Comm	✓

William B. Macey	American Republics Corp	Antonia, N.M.
John V. Macey	State Bureau of Oil	Antonia, N.M.
John V. Macey	Oil Commission	Antonia, N.M.
Repp L. Gray	" " "	Antonia, N.M.
W. E. Hoff	Buffalo Oil Co.	Antonia, N.M.
Emmett B. White	Leonard Oil Co.	Roswell
Raymond Hart	Wilson Oil Co.	Antonia, N.M.
Frank C. Barnes	Oil Commission	Santa Fe
Joe House	Hunt Oil Co.	Midland
Stanley Harper	Harper Oil Co.	Antonia
M. J. Card	Standard Oil of Ind. Co.	Tulsa
J. O. Seck	" "	Santa Fe
Neil Blanton	Callaway	Antonia, N.M.
Harvey Harrison	Old Jr	Midland
W. E. Hubbard	Humble	Houston
R. S. Denny	Humble	Midland
A. J. M. Winston	Barnsdall	Holt
L. B. Jeffers	Barnsdall	Tulsa
M. E. Battison	Phillips Oil	Oden
G. H. Gray	Republic Oil Co.	Midland
Harve H. Mayfield	Magnolia Pet. Co.	Midland
E. P. Keeler	" "	Dallas
W. E. Willis	The Texas Co.	H. E. Searl
R. L. Marmont	Magnolia Pet. Co.	Midland
Paul Marmont	Gulf Oil Corp.	Houston, N.M.
George L. Gray	" "	Tulsa, Okla.
W. E. Harrison	" "	Tulsa, Okla.
R. E. Carpenter	U. S. G. O.	Roswell, N.M.

June 2, 1949

Mr. Glenn Staley
Lea County Operators Committee
Drawer I
Hobbs, New Mexico

Dear Mr. Staley:

We are enclosing herewith, signed copies of Cases 182, 183, 184, 185 and 186, in connection with the hearing held on May 5, 1949.

These are for your records and distribution.

Very truly yours,

R. R. Spurrier
Secretary and Director

RFS:bw
encls.

June 2, 1949

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

Dear Mr. Watson:

We are enclosing herewith, signed copies of Case No. 182, Order No. 824,
and Case No. 183, Order No. 825, in connection with the hearing held
by the Commission on May 5, 1949.

These are for your records.

Very truly yours,

R. R. Spurrier
Secretary and Director

RRS:bw
encl.

June 2, 1949

Oil Conservation Commission
P. O. Box 1545
Hobbs, New Mexico

Gentlemen:

We are enclosing herewith, copies of Cases 182, 183, 184, 185 and 186,
in connection with the hearing held by the Commission on May 5, 1949.
These are for your records.

Very truly yours,

R. R. Spurrier
Secretary and Director

RRS:bw
encls.

June 2, 1949

Mr. Justin Neuman
Oil Conservation Commission
205 Booker Building
Artesia, New Mexico

Dear Mr. Neuman:

We are enclosing herewith copies of Cases 182, 183, 184, 185 and 186,
in connection with the hearing held by the Commission on May 5, 1949.

These are for your records.

We are also attaching Form C-101, in connection with Case 182, for your
approval.

Very truly yours,

R. R. Spurrier
Secretary and Director

RRS:bw
encls.

NEIL B. WATSON
ATTORNEY AT LAW
ARTESIA, NEW MEXICO

April 15, 1949

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

APR 20 1949

Mr. R. R. Spurrier,
Oil Conservation Commission,
Santa Fe, New Mexico.

Dear Mr. Spurrier:

I enclose Petition for Approval of Unorthodox
Well Location for Red Lake Oil Company, together
with letter of explanation from W. W. Ports.

In the event this location can be approved without
a hearing, we would, of course, appreciate it
very much; but, in the event a hearing is necessary,
I trust that it can be set for the May 5th date.

While this may have no bearing on the situation,
I think it is rather generally known that there are
a number of wells as far off as this one from the
designated location, due to the terrain at the
location, or other reasons. I am sure you under-
stand that this error was not made intentionally
and that it is simply an error, as set out in the
Petition and in Mr. Ports' letter.

Yours very truly,

Neil B. Watson
Neil B. Watson.

NBW:lve

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 PUR-
POSE OF CONSIDERING:

CASE NO. 162
ORDER NO. 824

THE APPLICATION OF V. S. WELCH, CARPER
DRILLING COMPANY AND MAX W. COLL FOR AN
ORDER PERMITTING AN UNORTHODOX WELL
LOCATION 1330 FEET SOUTH OF THE NORTH
LINE AND 1310 FEET, APPROXIMATELY, WEST
OF THE EAST LINE (NORTHWEST CORNER
SE $\frac{1}{4}$ NE $\frac{1}{4}$) SECTION 36, TOWNSHIP 16 SOUTH
RANGE 30 EAST, N.M.P.M., IN THE SQUARE
LAKE FIELD, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 A.M., May 5, 1949, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 31st day of May, 1949, the Commission having before it for consideration the testimony and statements presented at the hearing of said case, and being fully advised in the premises,

FINDS:

1. That due public notice of said cause having been given as required by law, the Commission has jurisdiction of the case.
2. That the petitioners, V. S. Welch, Carper Drilling Company and Max W. Coll, have an Agreement with John M. Kelly and associates, granting the right to develop and produce the oil and gas down to a depth of 3500 feet in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M., and desire to drill a well in the extreme northwest corner of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, which well will be 1330 feet south of the north line and 1310 feet, approximately, west of the east line of said Section 36, Township 16 South, Range 30 East, N.M.P.M., or in the northwest corner of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36. That the drilling of said well will result in a greater recovery of the recoverable oil in what is known as the Square Lake Pay Horizon in the said NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M.
3. That V. S. Welch, one of the petitioners, is the owner of oil and gas lease J-2884, issued by the State of New Mexico, insofar as it covers the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M., which adjoins the proposed location to the north; and that Carper Drilling Company and Max W. Coll are the owners of lease B-2884 covering the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, Township 16 South, Range 30 East, N.M.P.M., which adjoins the proposed location to the west.
4. That the owners of offset acreage to the proposed location have offered no objection to petitioners' application.

IT IS THEREFORE ORDERED:

That the application of V. S. Welch, Carper Drilling Company and Max W. Coll for an order is hereby approved for a location in the northwest corner of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M., being

more particularly described as 1330 feet south of the north line and 1310 feet, approximately, west of the east line of Section 36, Township 16 South, Range 30 East, N.M.P.M., in the Square Lake Pool in Eddy County, New Mexico.

IT IS FURTHER ORDERED:

That in the event production is had in said well, the said well, by itself or in conjunction with other wells in said ~~SE 1/4~~ ^{NE 1/4} of Section 36, Township 16 South, Range 30 East, N.M.P.M., shall not be produced in excess of the allowable for the Square Lake Pool.

DONE at Santa Fe, New Mexico, the day and year above mentioned.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

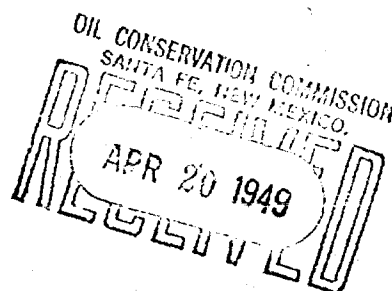
Thomas J. Mabry
THOMAS J. MABRY, CHAIRMAN

Guy Shepard
GUY SHEPARD, MEMBER

R. R. Spurrer
R. R. SPURRER, SECRETARY

W. S. Welch
Oil Producer and Operator
Artesia, N. M.

April 15, 1949



Mr. R.R. Spurrier
Oil Conservation Commission
Santa Fe, New Mexico

Dear Dick:

I am enclosing herewith Notice of Intention to Drill well in the center of the NE $\frac{1}{4}$ of Section 36-16-30, together with Petition for unorthodox location. Also Petition for unorthodox location by the Red Lake Oil Company in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 29-17-28, together with letters from W.W. Ports and Neil B. Watson, both of which are self-explanatory.

We would like very much to be able to have these petitions considered at your next hearing, which I understand will be May 5th. You will please notify Mr. Watson as to the date of the hearing.

With kindest personal regards, I am

Very truly yours,

W. S. Welch
W.S. Welch AB.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

RE: PETITION FOR UNORTHODOX LOCATION

P E T I T I O N

COMES NOW V. S. Welch, Carper Drilling Company and Max W. Coll, and petition the Oil Conservation Commission for an Order permitting an unorthodox oil and gas well location, and state:

1. That the petitioner herein, V. S. Welch, is the owner of an oil and gas lease issued by the State of New Mexico under Lease No. B-2884, as to the following described lands involved in this Petition, which lands are located in Eddy County, New Mexico, to wit:

N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M.

That said lands are within what is designated as the Square Lake Field in Eddy County, New Mexico.

2. That the petitioner V. S. Welch has a producing well in the approximate center of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, and has heretofore drilled a well in the approximate center of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, which last mentioned well has been abandoned.

That the lands in the said leases herein mentioned cover the same institutional funds, to wit, common school purposes.

That Carper Drilling Company and Max W. Coll are the owners of an oil and gas lease covering the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, Township 16 South, Range 30 East, N.M.P.M.; and John M.

Kelly and associates have an oil and gas lease covering the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M., and the said John M. Kelly is in charge of the operations thereon; and that there is an abandoned well in the approximate center of the said SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M.

3. That the petitioners herein, V. S. Welch, Carper Drilling Company and Max W. Coll, pursuant to an agreement with John M. Kelly and associates covering the right to develop and produce the oil and gas down to a depth of 3500 feet, desire to drill a well in the extreme northwest corner of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M., which well will be 1330 feet south of the north line and 1310 feet, approximately, west of the east line of said Section 36, Township 16 South, Range 30 East, N.M.P.M. That the drilling of said well, so petitioners are informed and believe, will result in a greater recovery of the recoverable oil from what is known as the Square Lake Pay Horizon, and in the said NE $\frac{1}{4}$ of Section 36, Township 16 South, Range 30 East, N.M.P.M.

4. That there is attached hereto, in triplicate, petitioners' Notice of Intention to Drill.

WHEREFORE, petitioners pray that they be granted permission to drill a well for oil and gas at the location above set forth, and that a date be set for hearing this Petition, and that all proper orders be made in the premises.

V. S. WELCH
CARPER DRILLING COMPANY
MAX W. COLL

by

V. S. Welch

May 2, 1949

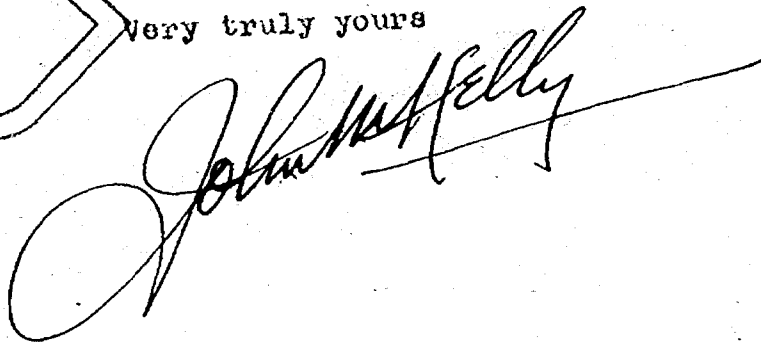
Mr. Neil B. Watson
Attorney-at-Law
Artesia, New Mexico

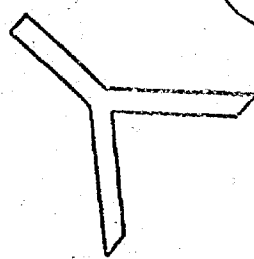
Dear Mr. Watson:

With reference to the petition filed by
V. S. Welsh, Carper Drilling Company and Max W. Coll
with the Oil Conservation Commission relative to an
unorthodox well location in the SENE of Section 36,
T-16-S, R-30-E, Square Lakes Field, New Mexico.

This is to state that if the Oil Conservation
Commission grants the petitioners the right to drill
this unorthodox well location that John M. Kelly and
associate will grant them a sublease and contract cover-
ing the operating rights to develop this acreage to a
depth of 3500 feet.

Very truly yours

A handwritten signature in cursive script, appearing to read "John M. Kelly", is written over a large, faint circular stamp. The signature is bold and fluid, with a long horizontal stroke extending to the right.

A handwritten mark consisting of a vertical line that splits into two diagonal lines at the top, forming a stylized 'Y' or '7' shape. It is located to the left of the signature.