

Case No.

186

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Application, Transcript,  
Small Exhibits. Etc.

NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearings to be held May 5, 1949, beginning at 10:00 o'clock A.M. on that day in the City of Santa Fe, New Mexico, in the Senate Chambers.

STATE OF NEW MEXICO TO:

All named parties in the following cases, and notice to the public:

Case 176

In the matter of the application of the Oil Conservation Commission upon its own motion to reconsider Order 788 issued in Case No. 146 relating to transportation of crude petroleum, and to amend or restate, such order or any part thereof. (This is a readvertisement of Case 176, heretofore published.)

Case 177

In the matter of the amended application of the Oil Conservation Commission upon its own motion to rescind, revise, change or amend Order No. 573, which became effective as of June 1, 1944 and generally known as the "Bonus Discovery Allowable Order", and to rescind, revise or amend Section 4 of Order 798, effective November 19, 1948, which amends and supercedes previous Statewide Proration Order No. 637.

Case 181

In the matter of the application of the R. Olsen Oil Company for an order authorizing an unorthodox well location for a gas well in the center of SW $\frac{1}{4}$  of Section 11, Township 24 South, Range 36 East, in the Cooper-Jal Pool, Lea County, New Mexico.

Case 182

In the matter of 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 (NW corner SE $\frac{1}{4}$  NE $\frac{1}{4}$ ) of Section 36, Township 16 South, Range 30 East, N.M.P.M., in the Square Lake Pool, Eddy County, New Mexico.

Case 183

In the matter of the application of Red Lake Oil Company, a co-partnership composed of Nell Gillespie, Van Philip Welch, Jr., Marjorie Nell Welch and Robert

Hill Welch, by V. S. Welch, guardian of Van Philip Welch, Jr., Marjorie Nell Welch and Robert Hill Welch, minors, and manager at Artesia, New Mexico of the Red Lake Oil Company, for an order permitting and approving an unorthodox well location 1687 feet south of the north line and 1580 feet west of the east line of Section 29, in Township 17 South, Range 28 East, N.M.P.M., in the Red Lake Pool, Eddy County, New Mexico.

Case 184

In the matter of the application of Kevanee Oil Company for an order granting permission to drill two "five spot" unorthodox well locations, identified as Well 27-B located 1295 feet north of the south line and 1245 feet west of the east line (SE $\frac{1}{4}$  SE $\frac{1}{4}$ ) of Section 25, and Well 28-B, located 1295 feet north of the south line and 2615 feet west of the east line (SW $\frac{1}{4}$  SE $\frac{1}{4}$ ) of Section 25, all in Township 17 South, Range 32 East, N.M.P.M., in the Maljamar Pool, Lea County, New Mexico.

Case 185

In the matter of the application of Buffalo Oil Company for an order granting permission to drill an unorthodox well location designated as Well No. 21-A to be located 25 feet north and 25 feet east of the southwest corner of the NE $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 21 in Township 17 South, Range 32 East, and for permission to plug back Well No. 15-A on the same forty acre tract and produce the same from the Yates sand, said tract being in the Maljamar Pool, Lea County, New Mexico.

Case 186

In the matter of the application of Bassett & Collier for an order granting permission to drill an unorthodox location designated as Well No. 6, Williams Estate Fee, located 990 feet south of the north line and 2623 feet west of the east line of Section 25, Township 18 South, Range 26 East, N.M.P.M., in the Dayton Pool, Eddy County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on April 21, 1949.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
R. R. SPURRER, Secretary

SEAL

NEW MEXICO  
OIL CONSERVATION COMMISSION

GOVERNOR THOMAS J. MABRY  
CHAIRMAN  
LAND COMMISSIONER GUY SHEPARD  
MEMBER  
STATE GEOLOGIST R. R. SPURRIER  
SECRETARY AND DIRECTOR



ROOM 205, BOOKER BUILDING

Artesia, New Mexico  
April 25, 1949

RECEIVED  
OIL CONSERVATION COMMISSION  
NEW MEXICO  
APR 27 1949  
5 15 00

Mr. R. R. Spurrier, Director  
Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

*Case 186*

Dear Mr. Spurrier:

I understand that one of the cases at the next hearing will concern an unorthodox location for the Collier & Bassett, No. 6 Williams, in the N 1/2 of Sec. 25-18-26. I did not know this well was being drilled until after they had penetrated the Artesian water zone. As soon as I found out they were drilling I told Mr. Collier that the Commission would not allow him to sell oil from this well until after the unorthodox location was approved. I allowed him to drill ahead and set pipe through the Artesian water in order to protect the Artesian water zone.

After the well had drilled to about 800', the operators turned in a form C-101, Notice of Intention To Drill, which stated that the well is 990' south of the north line and 2640' east of the west line, Sec. 25-18-26. I explained to Mr. Collier that this form would not be approved until the location was approved by the Commission.

On February 5, 1949, I saw 940' of 7" run in this well and cemented with 110 sacks with good mud circulation at all times while the cement was being run.

Very truly yours,

OIL CONSERVATION COMMISSION

BY

*Justin Newman*  
Justin Newman  
Artesia Representative

JN:fo

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. 186  
ORDER NO. 823

THE APPLICATION OF BASSETT & COLLIER  
FOR AN ORDER GRANTING PERMISSION TO  
DRILL UNORTHODOX LOCATION DESIGNATED  
AS WELL NO. 6 ON THAT PORTION OF THEIR  
WILLIAMS FEE ESTATE LEASE DESCRIBED AS  
THE NW/4 OF NE/4 OF SECTION 25, TOWN-  
SHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.  
IN THE DAYTON POOL, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10:00 o'clock A. M. on 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 26th day of May, 1949, the Commission having before it for consideration the testimony adduced at said hearing and being fully advised in the premises:

FINDS:

1. That due public notice having been given as provided by law, the Commission has jurisdiction of this cause.
2. That the acreage involved in the application is neither federally or state owned but is patented land, privately owned.
3. The lease covering the following described land is operated by and partly owned by Bassett & Collier:

Williams Fee Estate Lease, described as  
the N/2 of Section 25, Township 18 South,  
Range 26 East, N.M.P.M., in Eddy County,  
New Mexico.

4. That during the month of November, 1948, Bassett & Collier employed a licensed land surveyor to stake location for Williams Fee Estate Well No. 6, to be located 330 feet North and 330 feet West of the Southeast Corner of the NE/4 of NW/4 of Section 25, Township 18 South, Range 26 East, N.M.P.M.; that by mistake and inadvertence of said licensed land surveyor, the location for Well No. 6, Williams Fee Estate, was erroneously made 2623 feet West of the East Line and 990 feet South of the North Line of Section 25, said location being only 17 feet East of the West Line of the NW/4 of the NE/4 of said Section 25.

That thereafter, Bassett & Collier moved in drilling equipment and drilled said Well No. 6 at said erroneous location to an approximate depth of 900 ft. at which time the applicants discovered the error in the location of Well No. 6, and with the permission of the representative of the Oil Conservation Commission continued to drill said well to a depth of approximately 935 feet, through Artesian water, and run, set and cemented seven inch, twenty pound Lapweld casing with 125 sacks of cement. That after cementing said seven-inch casing, upon order from the representative of the Oil Conservation Commission, said well was shut down.

That Bassett & Collier desire to complete Williams Fee Estate Well No. 6 at its present location, and desire to be granted a permit for the drilling of this Well as an unorthodox location.

5. That the present location of said Well No. 6 does not encroach upon the outer boundaries of the Williams Fee Estate Lease, and that no injury will be done to adjoining lease owners, by reason of the completion of Williams Fee Estate Well No. 6 at its present location.

IT IS THEREFORE ORDERED by the Commission that the application of Bassett & Collier for an order granting permit to drill Williams Fee Estate Well No. 6, as an unorthodox location, be, and the same is hereby granted and approved at the following location:

Williams Fee Estate Well No. 6, to be  
located 990 feet from the North Line  
and 2623 feet from the East Line of  
said Section 25, Township 18 South,  
Range 26 East, N.M.P.M.

IT IS FURTHER ORDERED that upon completion, Williams Fee Estate Well No. 6, shall be permitted to produce such daily allowable as shall be fixed by order of the Oil Conservation Commission for the forty acre proration unit upon which said well is located.

IT IS FURTHER ORDERED that Bassett & Collier execute and file with the Oil Conservation Commission, a stipulation wherein they agree to treat the forty acre tract upon which Well No. 6 is located, and the forty acre tract adjoining, described as the NE/4 of NW/4 of Section 25, Township 18 South, Range 26 East, N.M.P.M., as a single unit, for the purpose of assignment, and that neither of these forty acre tracts will be separately assigned to any person, firm or corporation, until such time as Well No. 6, shall have been properly plugged and abandoned.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Thomas J. Mabry*  
THOMAS J. MABRY, CHAIRMAN

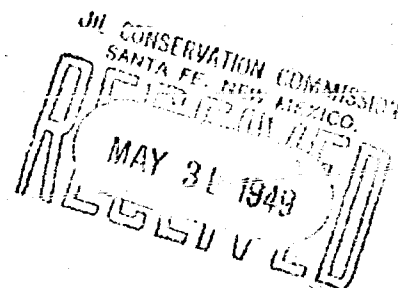
*Guy Shepard*  
GUY SHEPARD, MEMBER

*R. R. Spurrier*  
R. R. SPURRIER, SECRETARY

*Case 186*

LAW OFFICES  
JOHN E. COCHRAN, JR.  
CARPER BUILDING  
ARTESIA, NEW MEXICO

May 26, 1949



Mr. George Graham  
Attorney  
Oil Conservation Commission  
State Capitol Bldg.  
Santa Fe, New Mexico

Dear George:

Following up my letter to you of May 18, 1949, I am enclosing herewith original and two copies of Stipulation executed on behalf of Bassett & Collier by R. D. Collier, in which it is stipulated and agreed with the Oil Conservation Commission that in consideration of granting permit for unorthodox location, designated as Williams Fee Estate Well No. 6, that the 40 acre tract upon which this well is located and the 40 acre tract adjoining, described as the NE/4 of the NW/4 of Section 25, Township 18 South, Range 26 East, N.M.P.M., which is treated as a single unit for the purpose of Assignment, and that neither of these 40 acre units will be separately assigned until such time as Well No. 6 shall be properly plugged and abandoned.

I presume that in the near future, you will send me copy of Order entered by the Commission in this case, which was Case No. 186 at hearing held on May 5, 1949.

Very truly yours,

*John E. Cochran, Jr.*  
John E. Cochran, Jr.

JEC:jh  
enc

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF BASSETT  
& COLLIER FOR ORDER GRANTING PERMISSION  
TO DRILL UNORTHODOX LOCATION DESIGNATED  
AS WELL NO. 6, ON THAT PORTION OF THEIR  
WILLIAMS FEE ESTATE LEASE DESCRIBED AS  
THE NW/4 OF THE NE/4 OF SECTION 25,  
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.  
M., IN THE DAYTON POOL, EDDY COUNTY, NEW  
MEXICO

NO. 186

ORDER NO. \_\_\_\_\_

STIPULATION

BASSETT & COLLIER, a co-partnership composed of  
D. M. BASSETT and R. D. COLLIER, do hereby stipulate, covenant  
and agree with the Oil Conservation Commission of the State  
of New Mexico, that in consideration of the Oil Conservation  
Commission granting permission to BASSETT & COLLIER to drill  
Williams Fee Estate Well No. 6 as an unorthodox location,  
to be located 990 feet from the North Line and 2623 feet  
from the East Line of said Section 25, Township 18 South,  
Range 26 East, that the NW/4 of the NE/4 of said Section  
25 upon which said Well No. 6 is located, and the adjoining  
forty acre tract, described as the NE/4 of the NW/4 of said  
Section 25, shall henceforth and hereafter be considered as  
a single unit for the purpose of any assignment of oil and  
gas lease, covering said eighty acre tract, and that BASSETT  
& COLLIER agree that neither of these forty acre tracts shall  
be separately assigned by them to any person, firm or cor-  
poration until such time as Well No. 6 shall have been properly  
plugged and abandoned.



IN WITNESS WHEREOF, this Stipulation is executed  
on this 26 day of May, 1949, at Artesia,  
New Mexico.

BASSETT & COLLIER,  
A Co-partnership,

By R. D. Collier  
R. D. Collier

LAW OFFICES  
JOHN E. COCHRAN, JR.  
CARPER BUILDING  
ARTESIA, NEW MEXICO

April 19, 1949

Oil Conservation Commission  
State of New Mexico  
State Capitol Building  
Santa Fe, New Mexico

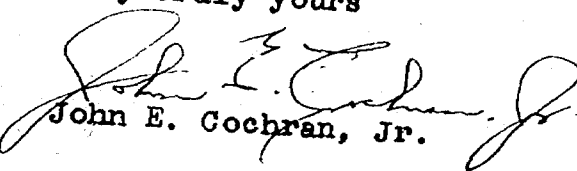
Attention: Mr. R. R. Spurrier

Gentlemen:

Enclosed herewith is Application of Bassett & Collier, in triplicate, for an order granting permission to drill one unorthodox location on their Williams Fee Estate Lease, described as N/2 Section 25, Township 18 South, Range 26 East, N.M.P.M. in the Dayton Pool, Eddy County, New Mexico, which well has been drilled to a depth of 935 feet and casing set and cemented therein because of a mistake made by the Surveyor making the location for this well.

At your earliest convenience will you please set a time for hearing this Application and publish notice thereof, and advise me the date set for hearing on this Application.

Very truly yours

  
John E. Cochran, Jr.

JEC:rm  
Encls.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF BASSETT  
& COLLIER FOR ORDER GRANTING PERMISSION  
TO DRILL UNORTHODOX LOCATION DESIGNATED  
AS WELL NO. 6, ON THAT PORTION OF THEIR  
WILLIAMS FEE ESTATE LEASE DESCRIBED AS  
THE NW/4 OF THE NE/4 OF SECTION 25,  
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.  
M., IN THE DAYTON POOL, EDDY COUNTY, NEW  
MEXICO.

NO. \_\_\_\_\_

APPLICATION

BASSETT & COLLIER, a co-partnership composed  
of D. M. BASSETT and R. D. COLLIER, Applicants herein,  
of Artesia, New Mexico, in connection herewith, respect-  
fully show to the Commission:

1. That Applicants are the operators and  
part owners of what is designated as their Williams Fee  
Estate Lease, covering the following described land,  
situated in Eddy County, State of New Mexico, to-wit:

N/2 of Section 25, Township 18 South, Range  
26 East, N.M.P.M., and containing 320 acres,  
more or less.

2. That said tract of land hereinabove de-  
scribed is located in what is known as the Dayton Pool  
of Eddy County, New Mexico, and that there have been  
drilled on said tract a total of five wells; that four  
of said wells are producing, at the present time, from  
an oil bearing formation encountered in the Dayton Pool  
from a depth ranging from 980 feet to 1000 feet; that  
well No. 2 on this lease has been temporarily abandoned

and is not producing at this time.

3. That during the month of November, 1948, Applicants herein employed a licensed land surveyor of Artesia, New Mexico, to stake locations for Williams Fee Estate Wells Nos. 5, 6 and 7; that the location for Well No. 6 was suppose to have been made 990 feet from the North Line and 2310 feet from the East Line of said Section 25; that locations for wells Nos. 5 and 7 were properly made at the locations desired, but when the location was made for Williams Fee Estate Well No. 6 that said licensed land surveyor, by mistake and through inadvertence, made said No. 6 well location 990 feet from the North Line and 2623 feet from the East Line of said Section 25, or only a distance of 17 feet from the West Line of the NW/4 of the NE/4 of said Section 25.

4. That after said locations were made, Applicants moved in a rig and drilled Williams Fee Estate Well No. 5, and that after setting casing on well No. 5, the drilling rig was moved to the location which the surveyor had made for Well No. 6 and drilling operations were commenced on Well No. 6. That said well was drilled to an approximate depth of 900 feet when Applicants discovered that the location for Well No. 6 had not been made, nor was it being drilled on a regular ten-acre location, and it was at that time that Applicants first discovered Well No. 6 to be located 990 feet from the North Line and 2623 feet from the East Line of said Section 25, or only a distance of 17 feet East of the West Line of the NW/4 of NE/4 of said Section 25, and that it

would be necessary, before proceeding with further drilling and the completion of this well, that Applicants obtain from the Oil Conservation Commission a permit to drill this well as an unorthodox location. That Applicants, in order to protect the hole, drilled said well to a depth of 935 feet and ran and set 935 feet of seven inch, twenty pound Lapweld casing and cemented this string of casing with 125 sacks of cement. That as soon as the casing was set and cemented in this well drilling operations thereon were shut down and the well is standing at this depth with casing cemented therein at this time.

5. That Applicants desire to complete Williams Fee Estate Well No. 6 at its present location, and desire to be granted a permit for the drilling of this well as an unorthodox location, located 990 feet from the North Line and 2623 feet from the East Line of said Section 25.

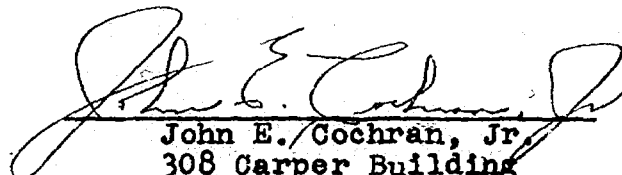
6. Applicants further state that the royalty ownership under the 320 acre Williams Fee Estate Lease is uniform and that the present location of Well No. 6 and the location herein requested for said well, does not crowd any other lease lines.

7. Applicants further state that they are the Operators and part owners of the leases adjoining the Williams Fee Estate Lease on the North, the Northeast, the South and the West.

8. That in the event the Oil Conservation Com-

mission grants a permit for the drilling of Well No. 6 at the location hereinabove described, Applicants will execute and file a stipulation wherein they agree to treat the forty-acre tract upon which Well No. 6 is located and the forty-acre tract adjoining, described as the NE/4 of NW/4 of said Section 25, as a single unit for the purpose of assignment, and that neither of these forty-acre tracts will be separately assigned until such time as Well No. 6 shall have been properly plugged and abandoned.

WHEREFORE, Applicants pray that they be granted permission to drill Williams Fee Estate Well No. 6 at the location hereinabove described, shown on the map attached hereto, marked Exhibit "A"; that the Commission set a date for hearing this Application, in accordance with its rules and regulations, and that upon presentation of this Application, proper order be entered granting permission to Applicants to drill said Williams Fee Estate Well No. 6.

  
John E. Cochran, Jr.  
308 Carper Building  
Artesia, New Mexico  
Attorney for  
Bassett & Collier

STATE OF NEW MEXICO     )  
                                  : ss.  
COUNTY OF EDDY         )

JOHN E. COCHRAN, JR., being first duly sworn upon his oath, deposes and states: That he is attorney for the Applicants in the above and foregoing Application, and that he has read the same and from personal knowledge knows the matters therein contained to be true and correct, except such statements as are alleged upon information and belief, and as to those, he verily believes them to be true; that this verification is made by him on behalf of BASSETT & COLLIER, a co-partnership composed of D. M. BASSETT and R. D. COLLIER, because neither D. M. Bassett or R. D. Collier are available to sign this Application.

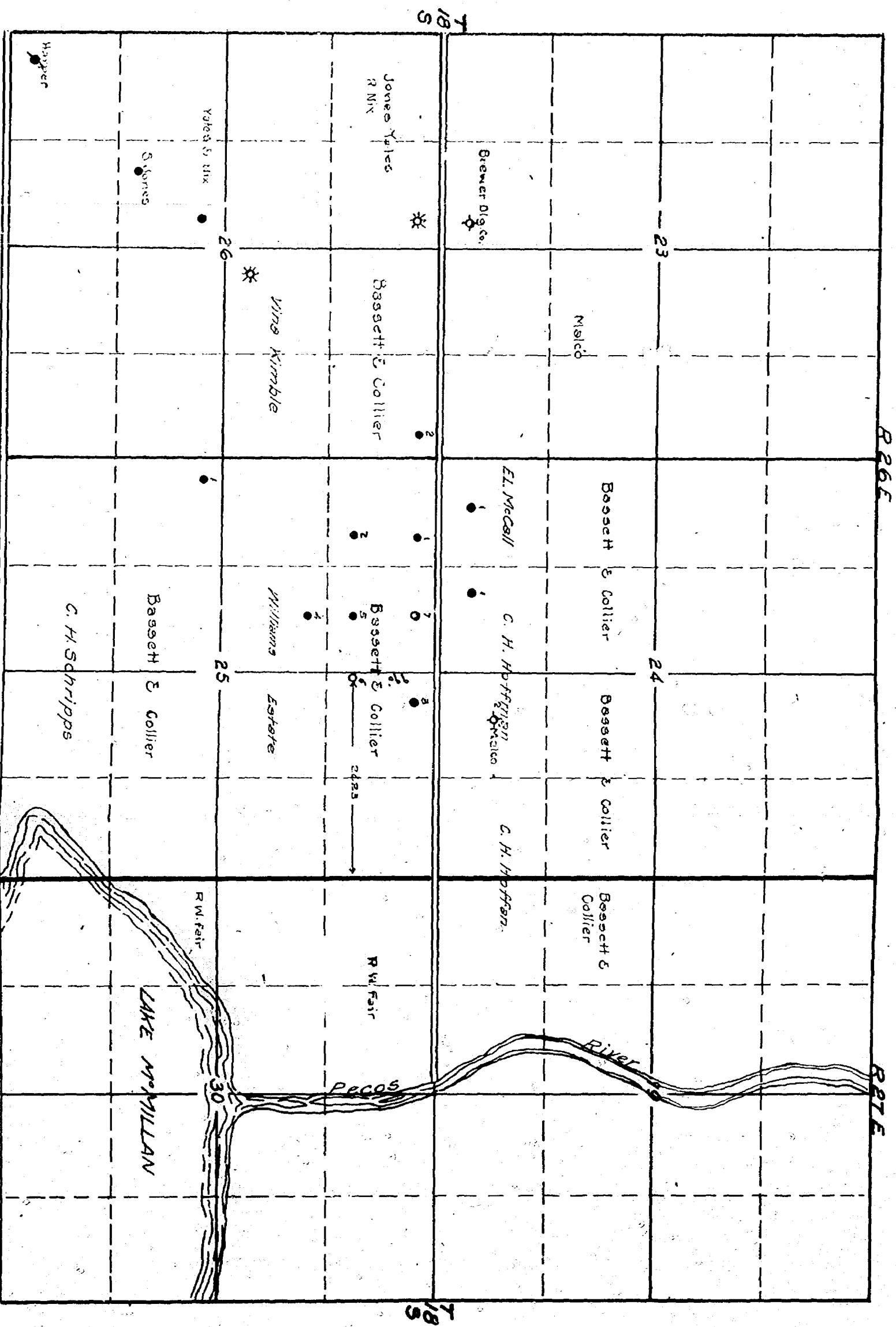
  
SUBSCRIBED AND SWORN to before me this 19th day of April, 1949.

  
Notary Public

My commission expires:

April 15, 1950

# PLAT OF DAYTON POOL EDDY COUNTY, NEW MEXICO



Prepared for Bassett & Collier  
By W.M. Parks  
Registered Professional  
Engineer & Land Surveyor, #551  
February, 1949.

EXHIBIT A