

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

"NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

"The Oil Conservation Commission of New Mexico, pursuant to law, hereby gives public notice of the following hearings to be had at a special meeting of the Commission to be held November 25, 1947, beginning at 10:00 o'clock a.m. on said date at Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

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

CASE NO. 114

"In the matter of the application of Kewanee Oil Company for permission to drill a well on an unorthodox location 1,295 feet from the south line and 2,615 feet from the east line (NW corner SW $\frac{1}{4}$ SE $\frac{1}{4}$) section 27, T.17 S, R.32 E, N.M.P.M., in the Maljamar Pool, Lea County, New Mexico.

CASE NO. 115

"In the matter of the application of Kewanee Oil Company for permission to convert to a producer, for the production of oil and gas, its Baish "B" I. P. Well No. 30, located 2,600 feet from the north line and 25 feet from the west line (SW corner SW $\frac{1}{4}$ NW $\frac{1}{4}$) section 27, T.17 S, R.32 E, N.M.P.M. in the Maljamar Pool, Lea County, New Mexico.

CASE NO. 108

"In the matter of the application of Southern Union Production 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, T. 18 S, R.24 E, N.M.P.M.;
sections 4, 5 and 6, T. 19 S, R. 24 E, N.M.P.M.;
sections 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35
and 36, T.18 S, R.23 E, N.M.P.M.; sections 1, 2 and
3, T.19 S, R.23 E, N.M.P.M., containing 17,134 acres,
more or less.

CASE NO. 116

"In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion, upon recommendation of the New Mexico Nomenclature Committee, for an order deleting from the Robinson Pool, Eddy County, New Mexico, the E $\frac{1}{2}$ SE $\frac{1}{4}$ section 34, T.16 S, R.31 E, N.M.P.M., and to extend the boundary of the Square Lake Pool, Eddy County, New Mexico, so as to include the E $\frac{1}{2}$ section 34, T.16 S, R.31 E, N.M.P.M.

"Given under the seal of the Oil Conservation Commission of New Mexico, in the name and on the behalf of the State of New Mexico, at Santa Fe this 10th day of November, 1947.

STATE OF NEW MEXICO

BY OIL CONSERVATION COMMISSION OF NEW MEXICO

S E A L"

/s/ R. R. Spurrier
R. R. SPURRIER, Secretary

Said meeting was held in the office of the Governor, Santa Fe, New Mexico on November 25, 1947, at 10:00 o'clock a.m.

MEMBERS OF COMMISSION:

Hon. Thomas J. Mabry, Governor, Chairman
Hon. R. R. Spurrier, Secretary of Oil Conservation Commission, Member
Hon. George Graham, Attorney and Legal Adviser

R E G I S T E R

<u>NAME</u>	<u>COMPANY</u>	<u>ADDRESS</u>
Forrest Baker	Kewanee Oil Company	Tulsa, Oklahoma
E. H. Hastings, Atty.	Kewanee Oil Company	Tulsa, Oklahoma
D. H. Tucker	El Paso Natural Gas Company	El Paso, Texas
Willis L. Lea, Jr	Southern Union Production Co.	Dallas, Texas
Roy Yarbrough	Oil Conservation Commission	Hobbs, N. M.

Meeting called to order by Governor Mabry:

Docket and Notice of Publication read by George Graham, Attorney.

MR. R. R. SPURRIER:

Gentlemen, in view of the Governor's limited time and the routine character of these cases, I think we will finish this as soon as possible.

CASE NO. 108

By WILLIS LEA:

Gentlemen, my thought was we would just incorporate into the record of this hearing the hearing of July 15, 1947, I think its complete as to verbal testimony and exhibits. If there is no objection I offer that in this hearing.

We would like to have the name changed and correct the description of the real estate.

GOVERNOR MABRY:

This shows the correct description?

MR. LEA: Yes.

MR. SPURRIER:

That is fine.

(Mr. Lea excused from the meeting and requested granted)

CASE NO. 114

MR. SPURRIER:

We will incorporate Case No. 114 and Case No. 115, they are cases of similar nature.

MR. E. H. HASTINGS:

I think we can handle them together. I will give a brief statement as to what we desire in Case No. 114. We consider our application pretty complete as to exactly what we desire.

I will give a brief summary: As you no doubt know, Kewanee Oil Company is a member of the Maljamar Corporation - the Cooperative Repressuring Agreement. In view of the program and project under that program, from time to time the operators have made agreements as to what wells would be used as gas injection wells. The case of issue here, this particular tract of land, the SW/4 SE/4 section 27, township 17 S, range 32 E, Lea County, New Mexico, our Baish "B" 11 well at one time was described as a gas injection well. This well, located in the center of a 40 acre unit, and also under the Maljamar Agreement, the operators agreed that where a gas injection well was on a 40 acre unit the operator was entitled to a competing well on that same 40 acres for production, of oil-gas. This application is for a competing well for Kewanee's Baish "B" 32. Our engineer and assistant production superintendent, Mr. Baker, completed a survey, and thinks best results can be obtained in drilling.

This B-32 is in an unorthodox location in the NW corner of the unit. This is a U.S.G.S. lease, and we have obtained their approval of this well subject to the approval of this Commission - subject to the approval of the unorthodox location. We have also obtained the approval of other operators. No other operators are affected. Our maps as exhibits show Kewanee on these surrounding leases. The maps are attached to the application.

(After being duly sworn, Mr. Forrest Baker testified as follows)

MR. HASTINGS:

Mr. Baker will you please state your name and position with the Kewanee Oil Company?

MR. BAKER:

F. D. Baker, Assistant Production Superintendent - Tulsa, Oklahoma.

Q. Please state to the Commission your educational background and general professional experience.

A. I have an engineering and geological degree from the University of Chicago, and during the past 14 years have been in production work with Kewanee Oil Company.

Q. How long have you been familiar with the Maljamar Area?

A. Since the Company's original purchase in the field - September 1941.

Q. You have read the application?

A. Yes, sir.

Q. And the allegations made on there are true and correct?

A. Yes, sir.

Q. Will you please state your opinion as to what is the most desirable location for the competing well on this 40 acre unit?

A. From a production and operating standpoint in the Maljamar reservoir this well has been referred to as our Baish "B" 11, has been on gas injection since April, 1942. As a result approximately 300 mcf of gas has been produced during this period. We feel in selecting a location for a producing oil and gas well on this same 40 acre unit it would be extremely desirable to put such a well as far distant from our present injection well as possible, for, no doubt, a gas vein of considerable size has formed surrounding this gas injection well and should an oil well be drilled too close to this area at this time it could very easily result in an untimely channel.

Q. Also gives a more uniform path, and with the well located there?

A. It is the location as requested - it would practically be a five spot to 160 acre tract.

GOVERNOR MABRY:

That is enough for the record.

CASE NO. 115

MR. HASTINGS:

We made our application pretty complete on both this and the preceding case, with our maps and notice of intention. I had to do that for the U.S.G.S. Our maps show all the drainage equities.

Kewanee Oil Company is part of the Maljamar Repressuring Agreement, and in 1942 its Baish Well No. 9, located in the center of SW/4 NW/4 section 27, township 17S, range 32E, Lea County, New Mexico, in the Maljamar field was converted to a gas injection well and this well was designated as I.P. 9. This well has been used for gas injection service ever since that date, I believe late in October 1946 they shut down in order to permit the laying of the new injection system and enlargement of their injection plant, used in connection with the injection project. We have in our application how much gas has gone into the injection well. We have a complete history of each well in the application.

In November 1946 the Maljamar Cooperative Repressuring Agreement - the operators agreed to drill certain injection wells and this plan was approved by the U. S. G. S. in July of 1946. Under this program Kewanee started its I.P. 30 and this well it was completed January 30, 1947 at a total depth of 4088 feet, and 140 barrels per day, and our test without shutting from the drilling of this well, the information obtained disclosed that this Baish "B" 30 would be of great value as a producing well and that the Baish "B" 9, which is located in the center of the 40 acre unit, would be better to continue as an injection well. Therefore, Kewanee, joined by the Operators' Committee of the Maljamar Repressuring Agreement filed an amendment with the U. S. G. S. for permission to convert this input well into a producer. The original plan provided that any well drilled as an input well could not be used as a producer, so we made application and obtained approval and they ordered our application to be approved subject to approval by this body, and the resulting unorthodox location of this B-I.P. - 30, located in the SW corner of the 40 acre unit.

GOVERNOR MABRY:

You might ask Mr. Baker a few questions.

MR. HASTINGS:

Mr. Baker will you please state whether the facts in Kewanee's application are substantially true and correct?

MR. BAKER:

They are.

Q. I might also call attention of the Commission a letter we have attached as an exhibit, from the U. S. G. S., which summarizes the well history.

MR. SPURRIER:

That is fine.

(Letter made part of the record)

CASE NO. 116

MR. SPURRIER:

According to the rules and regulations of the Commission, the Commission may approve Nomenclature Committee recommendations and therefore set up the boundary of any pools or extend the boundary of old pools; but they may not delete any part of any pool except in open hearing.

This hearing has been properly advertised by the Commission and letters to Committee Operators. In other words, the oil industry had 30 days to act upon this before it was ever published. Therefore, there being no objections to this deletion of the Robinson Pool and the subsequent addition to the Square Lakes Pool, the Commission can accept the Nomenclature recommendations and pass it as such.

GOVERNOR MABRY:

No protest or objections?

MR. SPURRIER:

None.

GOVERNOR MABRY:

Then it will be approved, and all other applications are approved.

MR. SPURRIER:

There will be another public hearing before the Commission on January 15, 1948.

A D J O U R N E D

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea

I, Robert L. Summers

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a period of _____

One Issue weeks.

beginning with the issue dated _____

Nov. 13, 19 47

and ending with the issue dated _____

Robert L. Summers
19
Publisher.

Sworn and subscribed to before me

this 15th. day of _____

Nov. 19 47

Nellie Jones
Notary Public.

My commission expires _____

Jan. 7, 19 51

(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

*Checked by yours truly
11-13-47*

LEGAL NOTICES

**NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION
COMMISSION**

The Oil Conservation Commission of New Mexico, pursuant to law, hereby gives public notice of the following hearings to be had at a special meeting of the Commission to be held November 25, 1947, beginning at 10:00 o'clock a. m. on said date at Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

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

Case No. 114
In the matter of the application of Keweenaw Oil Company for permission to drill a well on an unorthodox location 1,295 feet from the south line and 2,615 feet from the east line (corner SW 1/4 SE 1/4) T.21 S, R.32E, N.M.P.M., in the Maljamar Pool, Lea County, New Mexico.

Case No. 115
In the matter of the application of Keweenaw Oil Company for permission to convert to a producer for the production of oil and gas, its Balish "B" L. P. Well No. 30, located 2,600 feet from the north line and 25 feet from the west line (SW 1/4 NW 1/4 NW 1/4) T.17S, R.32E, N.M.P.M., in the Maljamar Pool, Lea County, New Mexico.

Case No. 109
In the matter of the application of Southern Union Production 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 1/2 and NW 1/4 of section 33, T.18 S, R.24 E, N.M.P.M.; sections 4, 5 and 6, T.19 S, R.24 E, N.M.P.M.; sections 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35 and 36, T.18 S, R.23 E, N.M.P.M.; sections 1, 2 and 3, T.19 S, R. 23 E, N.M.P.M., containing 17,134 acres, more or less.

Case No. 116
In the matter of the application vation Commission upon its own motion, upon recommendation of the New Mexico Nomenclature Committee, for an order deleting from the Robinson Pool, Eddy County, New Mexico, the E 1/2 SE 1/4 section 34, T.16 S, R.31 E, N.M.P.M., and to extend the boundary of the Square Lake Pool, Eddy County, New Mexico, so as to include the E 1/2 section 34, T.16 S, R.31 E, N.M.P.M.

Given under the seal of the Oil Conservation Commission of New Mexico, in the name and on the behalf of the State of New Mexico, at Santa Fe this 10th day of November, 1947.

**STATE OF NEW MEXICO
BY OIL CONSERVATION COM-
MISSION OF NEW MEXICO
R. R. SPURRIER,
Secretary.**

to be had at a special meeting of the Commission to be held November 25, 1947.

beginning at 10:00 o'clock a. m. on said date at Santa Fe, New Mexico:

STATE OF NEW MEXICO TO:

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

Case No. 114

In the matter of the application of Kawase Oil Company for permission to drill a well on an unorthodox location 1,295 feet from the south line and 2,615 feet from the east line (NW corner SW 1/4 SE 1/4) section 27, T.21 S, R. 32 E, N. M. P. M., in the Majamar Pool, Lea County, New Mexico.

Case No. 115

In the matter of the application of Kawase Oil Company for permission to convert to a producer, for the production of oil and gas, its Balish "B" I. P. Well No. 36, located 2,600 feet from the north line and 20 feet from the west line (SW 1/4 NW 1/4) section 27, T.17 S, R. 32 E, N. M. P. M., in the Majamar Pool, Lea County, New Mexico.

Case No. 108

In the matter of the application of Southern Union Production 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 SE 1/4 and NW 1/4 of section 33, T.18S, R.24E, N. M. P. M.; sections 4, 5 and 6, T.19S, R.24E, N. M. P. M.; sections 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35 and 36, T. 18S, R.23E, N. M. P. M.; sections 1, 2 and 3, T.19S, R.23E, N. M. P. M., containing 17,134 acres, more or less.

Case No. 116

In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion, upon recommendation of the New Mexico Nomenclature Committee, for an order deleting from the Robinson Pool, Eddy County, New Mexico, the E 1-3 SE 1/4 section 34, T.18S, R.21E, N. M. P. M., and to extend the boundary of the Square Lake Pool, Eddy County, New Mexico, so as to include the E 1-3 section 34, T.18S, R.21E, N. M. P. M.

Given under the seal of the Oil Conservation Commission of New Mexico, in the name and on the behalf of the State of New Mexico, at Santa Fe this 10th day of November, 1947.

STATE OF NEW MEXICO,
BY OIL CONSERVATION COMMISSION OF NEW MEXICO
R. R. SPURRIER,
 Secretary

(SEAL)
 Publish Nov. 13, 1947.

Affidavit of Publication

STATE OF NEW MEXICO,)
 County of Santa Fe) ss.

I, Joseph B. Lawler, being first duly sworn, declare and say that I am the (~~Business Manager~~) (Editor) of the Santa Fe News, a weekly newspaper, published in the English and Spanish Language, and having a general circulation in the City and County of Santa Fe, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937; that the publication, a copy which is hereto attached, was published in

said paper once each week for one consecutive weeks, and on the same day of each week in the regular issue of the paper during the time of publication, and that the notice was published in the newspaper proper, and not in any supplement, once each week for one weeks consecutively, the first publication being on the 13th day of November, 1947, and the last publication on the 17th day of November, 1947; that payment for said advertisement has been (duly made), or (assessed as court costs); that the undersigned has personal knowledge of the matters and things set forth in this affidavit.

Joseph B. Lawler
 Manager

Subscribed and sworn to before me this 13th day of November, A.D., 1947

John M. [Signature]
 Notary Public

My Commission expires April 10, 1950

at \$ 7.20
 S, \$ _____
 S, \$ _____
 S, \$ _____
 S, \$ 7.20

By _____

P. O. Box 371
November 12, 1947

Honorable Thomas J. Mabry
Governor of the State of New Mexico
Santa Fe, New Mexico

Dear Governor Mabry:

Enclosed you will find Notice of Publication for
Cases 114, 115, 103 and 116.

Respectfully,

C
O
P
Y

P. O. Box 871
November 12, 1947

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

Dear Governor Miles:

Enclosed you will find Notice of Publication for
Cases 114, 115, 103 and 116 to be heard at a special
meeting on November 25, 1947.

Respectfully,

C
O
P
Y

P. O. Box 371
November 10, 1947

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

Dear Mr. Staley:

Enclosed you will find Notice of Publication for
Cases 114, 115, 108, and 116.

Yours very truly,

GEORGE A. GRAHAM, Attorney

baw

C
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Y

P. O. Box 871
November 10, 1947

Mr. E. H. Hastings, Attorney
Kewanee Oil Company
Tulsa 1, Oklahoma

Dear Sir:

This is to advise you that the two Kewanee Oil Company Cases before the New Mexico Oil Conservation Commission and numbered 114 and 115 will be heard at 10:00 o'clock a.m., November 25, 1947.

The hearing will be held in the Coronado Room of La Fonda Hotel, Santa Fe.

Very truly yours,

bw

GEORGE A. GRAHAM, Attorney

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P. O. Box 871
November 10, 1947

THE SANTA FE NEWS
Santa Fe, New Mexico

RE: Cases 114, 114^{1/2}, 108 and 116 -
Notice of 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 IN DUPLICATE.

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

Very truly yours,

bpw

GEORGE A. GRAHAM, Attorney

C
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P. O. Box 871
November 10, 1947

HOBBS NEWS-SUN
Hobbs, New Mexico

RE: Cases 114, 115, 108 and 116 -
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GEORGE A. GRAHAM, Attorney

C
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P
Y

P. O. Box 871
November 10, 1947

CARLSBAD CURRENT-ARGUS
Carlsbad, New Mexico

RE: Cases 114, 115, 108 and 116 -
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GEORGE A. GRAHAM, Attorney

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