

Case 786

December 28, 1954

Great Western Drilling Company  
Farmington, New Mexico

Attention: Mr. Page

Gentlemen:

Reference is made to your proposed location in Section 17,  
Township 33 North, Range 11 West, said well to be located  
660' from the west line and 760' from the south line.

The provisions of Order R-562 permit the location of this  
well at the above described location due to topographical  
conditions.

Very truly yours,

W. B. Macey  
Secretary - Director

WBH:nr

cc: Oil Conservation Commission  
Box 697  
Asteo, N. M.

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 17, 1954

Mr. H. L. Fannin, jr.  
Great Western Drilling Company  
Box 1659  
MIDLAND, TEXAS

Dear Sir:

Enclosed is a copy of Order R-562 issued by the Commission on December 16, 1954, in Case 786, which was heard on your company's application at the regular November hearing. A signed copy of this order was handed to Mr. Foster Morrell yesterday.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:nr

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**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

August 25, 1954

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H. L. Fannin, Jr.  
Great Western Drlg. Co.  
P. O. Box 1659  
Midland, Texas

Dear Mr. Fannin:

Reference is made to your letter of August 23, pertaining to the unorthodox location for your Decker #3 to be located in Section 17, Township 32 North, Range 11 West and also to the proposed unorthodox unit covering the SW/4 Section 8 and the W/2 W/2 Section 17, Township 32 North, Range 11 West.

In order for this Commission to approve both the unorthodox location and the unorthodox unit it will be necessary for you to apply for a hearing. If this application is received by September 15, the hearing can be held in October.

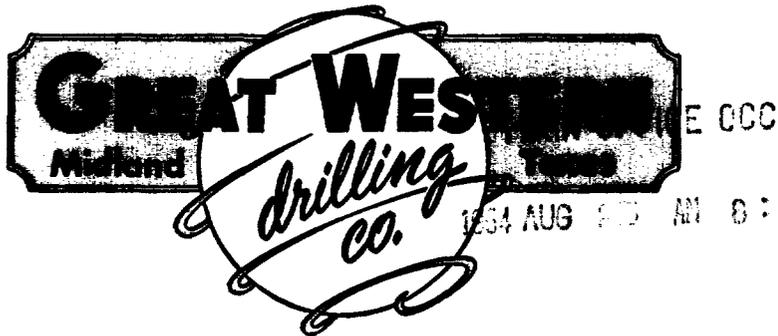
There is no provision in the Blanco Mesaverde Pool Rules which allows this Commission or any member of it to approve the formation of a unorthodox drilling or proration unit. Unorthodox locations can be approved administratively only when the question of topography is involved.

In making your application please remember to include the exact location of the proposed well, together with a complete description of the acreage to be inclosed in the unit.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:jh



R. C. TUCKER, PRES

August 23, 1954

PHONE 2-5241  
ADDRESS REPLY TO:  
BOX 1659  
MIDLAND, TEXAS

Re: San Juan County, New Mexico  
Decker #3

New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Gentlemen:

Please use this letter as our application for your approval of an un-orthodox location for the drilling of a gas well, with the proposed location in the W/2 of the W/2 of Section 17, Township 32 North, Range 11 West.

As shown on the attached plat, Pubco Development, Inc. owns an oil and gas lease covering the W/2 of the W/2 of Section 17, and Great Western Drilling Company owns an oil and gas lease covering the SW/4 of Section 8, both in Township 32 North, Range 11 West. The enclosed plat also shows the outline of the Cox Canyon Unit which borders the East side of a part of the above described tracts. The plat also indicates that wells have been drilled on the East one-half and the West one-half of Section 18, and that a well has been drilled on the SW/4 of Section 7, Township 32 North, Range 11 West.

The Operators of the Cox Canyon Unit have been contacted by a representative of ours, with regard to amending the Unit in order that part of the acreage could be communitized with the acreage in the proposed un-orthodox location, which they have declined to do.

Therefore, we hereby request your favorable consideration of our proposed un-orthodox unit covering the SW/4 of Section 8, and the W/2 of W/2 Section 17, Township 32 North, Range 11 West, San Juan County, New Mexico.

Yours very truly,

GREAT WESTERN DRILLING COMPANY

*H. L. Fannin, Jr.*  
H. L. Fannin, Jr.  
Land Manager

HLF:eg

cc: Pubco Development, Inc.

September 23, 1954

Re: San Juan County, New Mexico  
SW/4 Section 8, T-32-N, R-11-W

Colorado Oil and Gas Corporation  
Equitable Building  
Denver, Colorado

Attention: Mr. Charles E. Titus

Gentlemen:

Great Western Drilling Company is the owner of Oil and Gas Lease covering the SW/4 Section 8, Township 32 North, Range 11 West, and Colorado Oil and Gas Corporation is the owner of Oil and Gas Lease covering the SE/4 Section 8, Township 32 North, Range 11 West, or controls said acreage by virtue of being the Operator of the Cox Canyon Unit.

Great Western Drilling Company proposes to drill a well to be located in the SW/4 of Section 8, and we enclose herewith an AFE showing the estimated cost of drilling and equipping such well, in the amount of \$80,810.00.

We would appreciate your advising us if Colorado Oil and Gas Corporation, as Operator of the Cox Canyon Unit, would consider joining us by placing the SE/4 of Section 8 into a drilling unit and paying your portion of the cost of drilling such well.

Yours very truly,

GREAT WESTERN DRILLING COMPANY



H. L. Fannin, Jr.  
Land Manager

HLF:eg

encl.

GREAT WESTERN DRILLING CO.

CASE NO. 786 - EXHIBIT 2

*File*  
*HJ*

COLORADO OIL AND GAS CORPORATION

311 EQUITABLE BUILDING

DENVER 2, COLORADO

September 29, 1954

Great Western Drilling Company  
Box 1659  
Midland, Texas

Attention: Mr. H. L. Fannin, Jr., Land Manager

Re: Proposed Gas Unit, Sec. 8-32N-11W  
San Juan County, New Mexico

Dear Mr. Fannin:

We greatly appreciate your letter of September 23, 1954, relative to our participation in a proposed unit to be formed in the above captioned section.

However, since we are presently negotiating for the possible transfer of our interest in these lands, we are reluctant to commit this acreage at this time.

The negotiations of which we speak should be concluded during the next quarter, and if you have not made other arrangements by that time, we may be happy to advise you then as to whether or not we should be able to enter the unit proposed by your company.

We return herewith your AFE for this proposed well with the thought in mind that you may wish to submit it to others.

Very truly yours,

CHARLES E. TITUS  
Manager, Land Department

  
By  
Douglas R. Jaeger

DRJ/ms

enclosure

GREAT WESTERN DRILLING CO.

CASE NO. 786 - EXHIBIT 2-A

FOSTER MORRELL  
PETROLEUM CONSULTANT  
NICKSON HOTEL BUILDING  
ROSWELL, NEW MEXICO

November 2, 1954

Mr. Chas. E. Titus, Manager  
Land Department  
Colorado Oil and Gas Corporation  
311 Equitable Building  
Denver 2, Colorado

Re: Proposed Unorthodox Gas  
Proration Unit  
T. 32 N., R. 11 W.,  
San Juan County, New Mexico

Dear Mr. Titus:

On behalf of Great Western Drilling Company I have filed with the Oil Conservation Commission of the State of New Mexico an application dated October 27, 1954, for approval of an unorthodox gas proration unit consisting of the W/2 of fractional section 8 and the W/2 W/2 section 17, T. 32 N., R. 11 W., N.M.P.M., San Juan County, New Mexico, copy enclosed.

I have in my files a copy of letter dated September 23, 1954 from Great Western Drilling Company to you, and your reply of September 29, 1954, advising that you were not in a position to join your interest in a proposed gas unit covering the W/2 of fractional section 8. Great Western desires to proceed immediately with development of its properties, hence the enclosed application for an unorthodox unit.

This matter has been reviewed with the Regional Oil and Gas Supervisor of the U. S. Geological Survey who offered no objection to the application as filed with the Oil Conservation Commission. The Supervisor is of the opinion that wells can be located within the Cox Canyon Unit, of which you are the operator, so that the unit may obtain full acreage credit for each gas well drilled so far as they effect lands in sections 8 and 17, T. 32 N., R. 11 W.

It is our understanding that the application of Great Western Drilling Company will be considered at the hearing of the Commission in Santa Fe on November 17, 1954. Will you kindly advise me of your position in this matter as I would like to be able to present to the Commission your written concurrence in the application of Great Western Drilling Company.

Very truly yours,

COPY (Original Signed) Foster Morrell  
Foster Morrell

FM/fbp

cc: Mr. Sam Snoddy  
Great Western Drilling Company  
Midland, Texas

GREAT WESTERN DRILLING CO.  
CASE NO. 786 - EXHIBIT 3

FOSTER MORRELL  
PETROLEUM CONSULTANT  
NICKSON HOTEL BUILDING  
ROSWELL, NEW MEXICO

November 2, 1954

Sinclair Oil and Gas Company  
Box 4005  
Albuquerque, New Mexico

Attention: Mr. Larry Oles

Dear Mr. Oles:

Attached, for your information and files, is a copy of my application dated October 27, 1954, on behalf of Great Western Drilling Company to the Oil Conservation Commission of New Mexico, for the approval of an unorthodox gas proration unit consisting of the W/2 of fractional section 8 and the W/2 W/2 section 17, T. 32 N., R. 11 W., N M.P.M , San Juan County, New Mexico.

This application is being forwarded to you pursuant to rules and regulations of the Oil Conservation Commission as the operator of offset acreage in the NW/4 section 20, T. 32 N., R. 11 W., being the south offset to the unorthodox gas proration unit.

This application has been reviewed with the Regional Oil and Gas Supervisor of the U. S. Geological Survey who offers no objection to the application as filed with the Oil Conservation Commission. The Supervisor is of the opinion that wells can be located within the Cox Canyon Unit so that the unit may obtain full acreage credit for each gas well drilled so far as they effect lands in sections 8 and 17, T. 32 N., R. 11 W.

It is our understanding that the application of Great Western Drilling Company will be considered at the hearing of the Commission in Santa Fe on November 17, 1954. Will you kindly advise me of your position in this matter as I would like to be able to present to the Commission your written concurrence in the application of Great Western Drilling Company.

Very truly yours,

COPY (Original Signed) Foster Morrell

Foster Morrell

FM/fbp  
Attachment

cc: Mr. Sam Snoddy  
Great Western Drilling Company  
Midland, T e x a s

GREAT WESTERN DRILLING CO.

CASE NO. 786 - EXHIBIT 4

*WBM*

*Case 786*

**FOSTER MORRELL**  
PETROLEUM CONSULTANT  
NICKSON HOTEL BUILDING  
ROSWELL, NEW MEXICO

MAIN OFFICE OCC

1954 NOV 4 PM 1:21

October 27, 1954

Mr. W. B Macey, Director  
Oil Conservation Commission of New Mexico  
State Capitol Building  
Santa Fe, New Mexico

Dear Mr. Macey:

I am forwarding, under separate cover, an application, in triplicate, on behalf of Great Western Drilling Company for the approval of an unorthodox gas proration unit consisting of the W/2 of fractional section 8 and the W/2 W/2 section 17, T. 32 N., R. 11 W., N.M.P.M., San Juan County, New Mexico.

Will you kindly include this application on your notice for the hearing to be held in Santa Fe on November 17, 1954.

Very truly yours,

*Foster Morrell*  
Foster Morrell

FM/fbp

cc: Great Western Drilling Company  
Box 1659  
Midland, T e x a s

Bill:

This is for the  
record as I

Previously sent  
you the three  
copies Thanks

Foster

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