

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF the Application
of GIBRALTAR OIL CO., for the Order
of the Commission requiring the pool-
ing of Tracts of Land located within
the $W\frac{1}{2}$, Section 15, Township 32
North, Range 10 West, containing 320
acres in San Juan County, New Mexico,
in accordance with applicable orders
of the Commission relating to well-
spacing in the Elanco - Mesa Verde Pool.

Case No. 806

A P P L I C A T I O N

Application is hereby made by the Gibraltar Oil Co., whose
postoffice address is 1607 First National Building, Oklahoma
City 2, Oklahoma, for the Order of the Commission requiring the
pooling of Tracts of land lying within the Unit Area as
hereinafter described in San Juan County, New Mexico.

Applicant herein is the owner of in excess of 60% of the
working interest in leases covering lands embraced within such
unit, and Phillips Petroleum Company, Bartlesville, Oklahoma, is
the owner of the working interest in a majority of the leases
embracing the remainder of the lands within the unit area as
hereinafter described.

I

The unit area embraces the following described lands located
in San Juan County, New Mexico:

$W\frac{1}{2}$, Section 15, Township 32 N.,
Range 10 W., NMPM, San Juan County

the total area embraced in said unit area being 320 acres. The
Unit is to be designated for identification purposes as
"Sullivan C Mesa Verde Unit."

II

That the applicant is the owner of the working interest

in leases covering lands within said unit area described as follows:

GIBRALTAR OIL CO.: Robert L. Gaston and Edith Gaston, his wife, lessors, $SE\frac{1}{4}SW\frac{1}{4}$, East 40 Rods of the South 30 rods of the $NE\frac{1}{4}SW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West;

Robert J. Doughtie and Edna O. Doughtie, his wife, lessors: South $32\frac{1}{2}$ acres of the $SE\frac{1}{4}NW\frac{1}{4}$, and the North 47 acres of the $N\frac{1}{2}SW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West, except the right of way of the Denver and Rio Grande Western Railroad Company;

Mary Catherine Hizer, a widow, lessor, $NE\frac{1}{4}NW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West, except right of way of United States highway No. 550;

Saul Yager, et al, lessors, $NW\frac{1}{4}NW\frac{1}{4}$, Section 15 Township 32 North, Range 10 West.

PHILLIPS PETROLEUM COMPANY:

United States of America, lessor, NM-012648, $SW\frac{1}{4}NW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West;

Catherine Hendricks, a widow, et al, and Denver & Rio Grande Western Railroad Company, lessors, $SW\frac{1}{4}SW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West;

Edward E. Miller and Lena Miller, his wife, and Denver & Rio Grande Western Railroad Company, lessors, A strip of land 30 rods wide off the south side of the $N\frac{1}{2}SW\frac{1}{4}$, Section 15, Township 32 North, Range 10 West, EXCEPT the East 40 rods in width off said 30 acres, said East 40 rods being a part of the $NE\frac{1}{4}SW\frac{1}{4}$, Section 15, and further EXCEPTING all that part of the above described 30 acres more or less lying west of the right of way of state highway No. 550 containing three acres more or less and further EXCEPTING the right of way of state highway No. 550 containing approximately 1.31 acres.

III

That Phillips Petroleum Company is agreeable to the pooling

of the lands held under lease by that company and that reasonable effort has been made to obtain a voluntary lease of the mineral interests apparently owned by Dave Clark of San Bernardino, California, ~~the owner of lands~~ within the $W\frac{1}{2}$, Section 15, Township 32 North, Range 10 West, described as all of that portion of the $NW\frac{1}{4}SW\frac{1}{4}$ of said section 15 lying west of the right of way line of United States Highway 550 containing three acres more or less and from San Juan County, New Mexico, the owner of lands lying within the right of way of United States Highway No. 550 lying within the said $W\frac{1}{2}$, Section 15;

IV

That the Order of this Commission requiring the pooling of the lands within said 320 acre tract is sought in order to prevent the drilling of unnecessary wells and to conform with currently applicable well spacing regulations as issued by this Commission in the area within which the proposed unit area is located. That the pooling of the lands located within said unit area is in all respects to the best interests of the owners of lands lying within said unit area and will tend to promote the conservation of oil and/or gas and the elimination of waste of the natural resources of the State of New Mexico.

V

That necessary unit and operating agreements will be entered into by the applicant and Phillips Petroleum Company, the owners of the majority of the working interest under oil and gas leases heretofore acquired by the applicant and Phillips Petroleum Company covering the operation and development of said

unit area and the production of oil and/or gas from the Mesa Verde formation; copies of said agreements as entered into will be filed with the Commission on or prior to the hearing of this application together with ratifications and joinders thereof by interested parties, where required.

VI

That the applicant requests that this application be set for hearing before the Commission on December 16th, 1954, at which time the applicant will be prepared to present evidence in support of this application.

VII

That the Commission is requested following said hearing to issue its order pursuant to the provisions of Section 13, paragraph C of Chapter 168 of the Laws of 1949 of the State of New Mexico, requiring the pooling of the properties located within the unit area as herein described.

Respectfully submitted,

GIBRALTAR OIL CO.,

By Charles R. Keilty
Charles R. Keilty, Vice-President

SIMMS & MODRALL,

By James E. Spurling
Attorneys for Applicant

MAIL ROOM OFFICE OCC
GIBRALTAR OIL CO.

615 ERNEST & CRANMER BUILDING
DENVER 2, COLORADO
KEYSTONE 4-6538

Oklahoma City, Oklahoma
November 19, 1954

1607 FIRST NATIONAL BUILDING
OKLAHOMA CITY 2, OKLAHOMA
REGENT 6-0549

Mr. Mace, Secretary
State Oil Conservation Commission
Santa Fe, New Mexico

Re: Proposed Units
San Juan County
New Mexico

Dear Sir:

Our Company is the present owner of all the producing and non-producing leases formerly owned by Wm. R. Whittaker Co., Ltd. of Los Angeles and, as such, we own the lease on the E/2 SE/4 of Section 10-32N-10W, San Juan County, New Mexico.

At the present time we contemplate communitizing the S/2 of Section 10 and the question arises in our mind as to whether we would be able to obtain a spacing unit of 320 acres running East and West by requesting an exception to your rule. Please understand that this request would be predicated upon the fact that this Section 10 is a short Section which adjoins the Colorado State line on the South. Your reply to this inquiry will be awaited with interest.

We should like to have two copies of your most recently published pamphlet outlining the rules and regulations governing the spacing of wells, etc.

At the present time we are endeavoring to obtain a lease on a small unleased mineral interest in a 320-acre spacing unit covering the W/2 of Section 15-32N-10W. Up to date, the owner of this mineral interest has declined to execute a lease containing a pooling agreement. If you have any publications which would govern us in a contemplated application to the Commission for the purpose of having this interest included in the unit on a fair and equitable basis, we would appreciate receiving same, as well as any information concerning the proper procedure for such action which you might send us.

Yours very truly,

GIBRALTAR OIL CO.

Charles Roe Keilty

Charles Roe Keilty
Vice-President
Manager, Land Dept.

CRK/be