

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

DA152

1935 FEB 11 PM 2 33

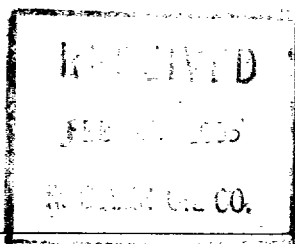
D. HSD259 29 COLLECT=HOUSTON TEX 11 150PMC=

R OLSEN OIL CO=

21 2809 LIBERTY BANK BLDG OKCTY=

WE HAVE NO OBJECTION TO THE FORMATION OF A 280 ACRE  
NON-STANDARD GAS PRORATION UNIT FOR YOUR MEYERS B-2  
IN SECTION 11-24-36 LEA COUNTY NEX MEXICO=

PAUL C WRIGHT WESTERN NATURAL GAS CO=



BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
*Olsen* EXHIBIT No. 2  
CASE 835

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

**RECEIPT FOR REGISTERED ARTICLE No. 222**

Fee paid 30

10-6, 1954  
(Date)

Class postage paid \_\_\_\_\_

Return receipt fee \_\_\_\_\_

Declared value, \$ no value

Special delivery fee \_\_\_\_\_

Surcharge paid, \$ \_\_\_\_\_

Restricted delivery  
(Accepting employee will place  
initials in proper space)

in person \_\_\_\_\_

or order \_\_\_\_\_

Fee paid \_\_\_\_\_

From Rolsen oil Co.

(Sender)

(Street and number)

Addressed to William Hall

(Addressee)

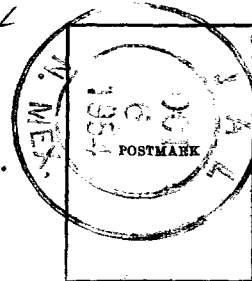
(Post office and State)

(Street and number)

GPO c9-16-12666-5

(Post office and State)

Postmaster, per h



**RECEIPT FOR REGISTERED ARTICLE No. 223**

Fee paid 30

10-6, 1954  
(Date)

Class postage paid 1

Return receipt fee \_\_\_\_\_

Declared value, \$ no value

Special delivery fee \_\_\_\_\_

Surcharge paid, \$ \_\_\_\_\_

Restricted delivery  
(Accepting employee will place  
initials in proper space)

in person \_\_\_\_\_

or order \_\_\_\_\_

Fee paid \_\_\_\_\_

From Rolsen oil Co.

(Sender)

(Street and number)

Addressed to William Hall

(Addressee)

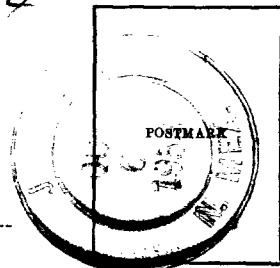
(Post office and State)

(Street and number)

GPO c9-16-12666-5

(Post office and State)

Postmaster, per h



**RECEIPT FOR REGISTERED ARTICLE No. 221**

Fee paid 30

10-6, 1954  
(Date)

Class postage paid 1

Return receipt fee 0

Declared value, \$ no value

Special delivery fee \_\_\_\_\_

Surcharge paid, \$ \_\_\_\_\_

Restricted delivery  
(Accepting employee will place  
initials in proper space)

in person \_\_\_\_\_

or order \_\_\_\_\_

Fee paid \_\_\_\_\_

From Rolsen oil Co.

(Sender)

(Street and number)

Addressed to Continental Oil Co.

(Addressee)

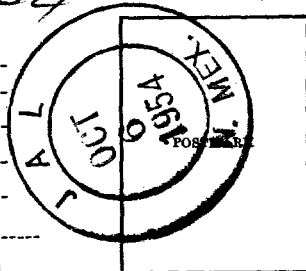
(Post office and State)

(Street and number)

GPO c9-16-12666-5

(Post office and State)

Postmaster, per h



**OIL CONSERVATION COMMISSION**

P. O. BOX 871

**SANTA FE, NEW MEXICO**

**January 21, 1955**

**R. Olsen Oil Company  
Box 691  
Jal, New Mexico**

**Re: Administrative Order NSP-23**

**Attention: Mr. Aaron Cummings, Gas Engineer**

**Gentlemen:**

On November 8, 1954, by virtue of the provisions of Administrative Order NSP-23, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Jalmat Gas Pool:

**Section 11, Township 24 South, Range 36 East  
NE/4, S/2 NW/4, NE/4 NW/4**

Information available to me at this time indicates that I exceeded the authority granted to me by the provisions of Rule 5-b of Order R-520, (Jalmat Pool Rules) due to the fact that the third paragraph of Rule 5-a specifically limits the maximum amount of acreage that may be assigned to a gas well, the amount being governed by the well location.

The formation of a 280-acre non-standard proration unit with your Myers "B" Lease, Well No. 2, located 1980 feet from the North line and 660 feet from the East line is contrary to the provisions of this rule.

On February 16, 1955, this Commission will hold hearings directed to you as operator for you to show cause why the acreage assigned your Myers "B" Well No. 2, SE/4 NE/4 Section 11, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, should not be reduced to 160 acres in accordance with the provisions of Paragraph 3 of Rule 5-a of Order R-520. The description of this 160-acre unit is as follows:

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Section 11, Township 24 South, Range 36 East  
NE/4

This proposed reduction would be effective March 1, 1955. You will of course be afforded the opportunity to present any testimony or evidence to support the formation of the proration unit as it now exists.

This letter is being directed to you so that you can prepare your case, if you so desire. A copy of the advertisement will be mailed to you when available.

Very truly yours,

W. B. MACEY, Secretary-Director

WBM/ir

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 8, 1954

R. Olsen Oil Company  
Box 691  
Jal, New Mexico

Attention: Mr. Aaron Cummings, Gas Engineer

Gentlemen:

Administrative Order NSP-23

Reference is made to your application (received October 8, 1954) for approval of a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Twp. 24 South, Rge. 36 East, NMPM  
NE/4, S/2 NW/4, and NE/4 NW/4  
of Section 11.

It is understood that this unit is to be ascribed to your Myers 'B' Well No. 2, located 1980 feet south of the north line and 660 feet west of the east line of said Section 11.

Inasmuch as no objections have been received from offset operators whom you properly notified of your intention by registered mail, by authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules.

Very truly yours,

WBM:mr

W. B. Macey, Secretary-Director

cc: Oil Conservation Commission:  
Hobbs

N. M. Oil & Gas Eng. Committee  
Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 22, 1955

R. Olsen Oil Company  
Box 691  
Jal, New Mexico

Attention: Mr. Aaron Cummings

Gentlemen:

We enclose copy of Order R-619 issued in Case 835 under  
date of April 20, 1955.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:nr

NSP-23  
Dec 11-8  
MAIN OFFICE OGC  
10:00 AM 8:57

# R. OLSEN OIL COMPANY

BOX 691

JAL, NEW MEXICO

October 5, 1954

Re: Application for Assignment of 280 acre allowable to Myers B-2, Sec. 11, T 24S, R 36E, Lea County, New Mexico.

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Gentlemen:

The R. Olsen Oil Company owns the following acreage in Section 11, T 24S, R 36E, NE/4, NE NW/4, S/2 NW/4, upon which is located its Myers B-2 well, 1980' South of North line and 660' West of East line. The subject well is completed as a Yates gas well. It was completed June 8, 1948, at a depth of 3172' with 7" casing set at 2950'.

At the present time only the NE/4 (160 acres) is dedicated to this well. However, as the provisions of the Oil Conservation Commission Order R-520 permit up to 320 acres to be dedicated for gas allowable purposes to a well so located, the R. Olsen Oil Company hereby desires to assign the S/2 NW/4 and the NE NW/4 in addition to the existing NE/4 of Section 11, T 24S, R 36E and requests that the Oil Conservation Commission grant approval to this proposed unit, thus permitting the well to be produced on the basis of a 280 acre allowable.

Along with this request will be found a copy of a letter to Stanolind Oil & Gas, owner of the NW NW/4 of Section 11, T 24S, R 36E, asking them if they wish to add their 40 acres to our 280 acres to form a 320 acre unit. Also, a copy of this letter is being forwarded to all operators within 1500' of the well.

Very truly yours,

R. OLSEN OIL COMPANY

*Aaron Cummings*  
AARON CUMMINGS  
Engineer

AC:mp

cc: New Mexico Oil Conservation Commission (0/2)  
P. O. Box 871  
Santa Fe, New Mexico

Continental Oil Co.  
Box 427  
Hobbs, New Mexico

Western Natural Gas Co.  
8th Flr. Midland Tower Bldg.  
Midland, Texas

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 21, 1955

R. Olsen Oil Company  
Box 691  
Jal, New Mexico

Re: Administrative Order NSP-23

Attention: Mr. Aaron Cummings, Gas Engineer

Gentlemen:

On November 8, 1954, by virtue of the provisions of Administrative Order NSP-23, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Jalmat Gas Pool:

Section 11, Township 24 South, Range 36 East  
NE/4, S/2 NW/4, NE/4 NW/4

Information available to me at this time indicates that I exceeded the authority granted to me by the provisions of Rule 5-b of Order R-520, (Jalmat Pool Rules) due to the fact that the third paragraph of Rule 5-a specifically limits the maximum amount of acreage that may be assigned to a gas well, the amount being governed by the well location.

The formation of a 280-acre non-standard proration unit with your Myers "B" Lease, Well No. 2, located 1980 feet from the North line and 660 feet from the East line is contrary to the provisions of this rule.

On February 16, 1955, this Commission will hold hearings directed to you as operator for you to show cause why the acreage assigned your Myers "B" Well No. 2, SE/4 NE/4 Section 11, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, should not be reduced to 160 acres in accordance with the provisions of Paragraph 3 of Rule 5-a of Order R-520. The description of this 160-acre unit is as follows:



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Section 11, Township 24 South, Range 36 East  
NE/4

This proposed reduction would be effective March 1, 1955. You will of course be afforded the opportunity to present any testimony or evidence to support the formation of the proration unit as it now exists.

This letter is being directed to you so that you can prepare your case, if you so desire. A copy of the advertisement will be mailed to you when available.

Very truly yours,

W. B. MACEY, Secretary-Director

WBM/ir

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 31, 1955

Robinson, Shipp, Robertson  
and Barnes  
Hightower Building  
Oklahoma City 2, Oklahoma

Attention: Mr. T. Murray Robinson

Re: Case 835

Gentlemen:

Reference is made to your letter of January 27, 1955, in which you requested information pertinent to the formation of a non-standard gas proration unit.

The Commission's letter of January 21, 1955, was to inform R. Olsen Oil Company of the Commission's intention to have hearing upon its own motion for the purpose of determining whether the proration unit as now formed should remain in effect, or whether said unit should be reduced in size, in accordance with Rule 5 (a) paragraph 3 of Order R-520 of the Special Pool Rules for the Jalmat Gas Pool. It will be necessary for R. Olsen or its representatives to appear at our February 16, 1955 hearing and introduce testimony to validate a non-standard gas proration unit of over 160 acres. I am enclosing a copy of Order R-520 for your information.

The Commission, after notice and hearing, may grant unusual or special non-standard gas proration units where testimony presented at the hearing justifies the formation of such a unit.

I enclose a copy of the notice of publication of this case, and also a copy of the docket of the February 16, 1955, hearing.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:jh

MAIL ROOM

LAW OFFICES

ROBINSON, SHIPP, ROBERTSON AND BARNES

T. MURRAY ROBINSON

HIGHTOWER BUILDING

LEON SHIPP

WALLACE G. ROBERTSON

C. E. BARNES

J. M. O'LOUGHLIN

THOMAS E. BENNETT

WM. L. ROBERTSON

OKLAHOMA CITY 2, OKLAHOMA

TELEPHONE REGENT 9-0623

January 27,  
1955

Mr. W. B. Macey  
Oil Conservation Commission  
State Capitol Building  
SANTA FE, NEW MEXICO.

Re: N $\frac{1}{2}$  of Section 11-24S-36E,  
Lea County, New Mexico -  
Administrative Order NSP-23

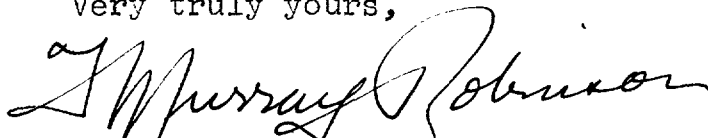
Dear Sir:

Your letter of January 21, 1955, addressed to R. Olsen Oil Company, has been handed to me for consideration. It appears that you are undoubtedly correct in concluding that an administrative order could not have been issued fixing the size of the proration unit assigned to the well in the Southeast Quarter of Northeast Quarter of said section on any greater acreage than 160.

However, certain circumstances make it appear that it would be equitable in this instance to assign to this gas well for proration purposes all of the North half of the section. The owners thereof do in fact have three gas wells in the section and it would appear that a well in the Northwest Quarter of the section is not needed in order to fully drain the horizon of its producible gas.

I am wondering if your general procedure provides for any applications to the Commission on which a special proration unit may be created under such exceptional circumstances. If such be true, would you be kind enough to have your secretary mail me a copy of the rule under which such application may be processed.

Very truly yours,



T. Murray Robinson

TMR D..