

HM6

TELEGRAM

EMERGENCY

REGULAR

ARTESIA, N.M.
MARCH 14, 1955
3:31 P.M.

SHELL OIL COMPANY
HOBBS, NEW MEXICO

CHARM OIL COMPANY HAS NO OBJECTION TO SHELL OIL COMPANY'S REQUEST FOR
UNORTHODOX GAS UNIT SECTION 1, T-21-S, R-35-E.

CHARM OIL COMPANY

RECD. FROM WESTERN UNION
TYPED BY BV

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 2
CASE 107

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 22, 1955

Mr. Oliver Seth
SETH & MONTGOMERY
Box 828
Santa Fe, New Mexico

Dear Sir:

In behalf of your client, Shell Oil Company, we enclose
Order R-615 issued by the Oil Conservation Commission
on April 20, 1955, in Case 867.

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

Case 861

February 9, 1955

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Shell Oil Company
P. O. Box 1957
Hobbs, New Mexico

Attention: Mr. W. E. Owen

Gentlemen:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. This acreage was to have been assigned to your State M Well No. 4, located 660' from the South and East lines of Section 1.

Order R-520, Rule 5 (a) paragraph 3, clearly limits, as to the well location, the number of acres that can be assigned a non-standard gas proration unit. This office is unable to grant approval of a non-standard gas proration unit for the above mentioned well of over 160 acres because of the said well's location to its boundaries.

If you have any information which we have not considered or if you should desire a hearing on this matter, please notify the Commission at your earliest convenience.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs
N. M. Oil and Gas Engineering Committee, Hobbs



SHELL OIL COMPANY

MAI

100

1075 FE

Box 1957

Hobbs, New Mexico

January 26, 1955

Subject: Application for Exception
to Rule 2 and 5(a) Order
No. R-520 Shell State M-4
Eumont Gas Pool

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

Under the provisions of Commission Order No. R-520, Rules 3 and 5(b), delegating the Secretary of the Commission authority to grant exception to the requirements of Rule No. 2 and No. 5(a) without notice and hearing for an unorthodox location and non-standard gas proration unit, respectively, Shell Oil Company hereby applies for an exception to the aforementioned two rules for State M-4, Eumont Gas Pool.

In support of the above application, the following data are furnished:

~~Shell State M-4 is located in the center of Lot 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico, which is 660 feet from the south and east lines of the State M-4 (R-1398) lease. It was originally completed on July 8, 1937 as a Eunice Field oil well for an initial potential of 870 BOPD from the open hole interval 3715 feet to 3865 feet. The capacity of the well declined below the economic limit and various stimulation methods failed to restore it to an economic status. Application to plug and abandon the oil zone and recomplete the well for gas in the Eumont Gas Pool was made by NMOCC Form C-102, dated February 2, 1953, and was approved February 4, 1953. Subsequently, the oil zone was abandoned by setting a Baker Model K bridge plug at 3650 feet and cap with 10 feet of cement, and various intervals were perforated from 2950 feet to 3560 feet opposite the gas zone. The Eumont gas pay was stimulated with a 3,000-gallon Dolofrac treatment, following which the well tested 2.1 MMCFPD absolute open flow on October 7, 1953. This well being at an orthodox location, a standard, 160-acre gas proration unit comprising Lots 9, 10, 15 and 16 of Section 1 was formed. State M-4 was assigned an allowable accordingly.~~

Concerning the exception to Rule No. 2, we wish to state the following:

January 26, 1955

(a) The unorthodox location was occasioned by the recompletion of the well previously drilled to another horizon.

(b) All operators within 1980 feet of the subject well have been furnished a copy of this application together with a request for a waiver of notice and hearing.

With regard to the exception to Rule No. 5(a), we wish to state the following:

(a) That the proposed non-standard gas proration unit, consisting of the Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Section 1, T-21-S, R-36-E, is composed of contiguous quarter-quarter sections. 315.34

(b) That the proposed non-standard gas proration unit lies wholly within a single governmental section.

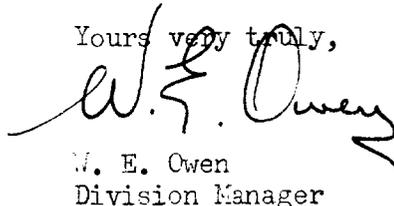
(c) That the entire proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.

(d) That the length and width of the proposed non-standard gas proration unit does not exceed 5280 feet.

(e) That the entire proposed non-standard gas proration unit lies within the horizontal limits of the Eumont Gas Pool.

(f) That by copy of this letter of application all operators owning interest in the section in which the non-standard gas proration unit is situated and which acreage is not included in said non-standard gas proration unit and all operators owning interest within 1500 feet of the well have been notified by registered mail of this application. In addition, each of the above operators has been sent a request for a waiver of notice and hearing on the subject application for exceptions to Order R-520.

Yours very truly,


W. E. Owen
Division Manager

Attachments

cc: Amerada Petroleum Corp. Attn: Mr. R. S. Christie Box 2040 Tulsa, Oklahoma	The Atlantic Refining Co, Box 871 Midland, Texas	Charm Oil Company Carper Building Artesia, New Mexico
El Paso Natural Gas Co. Box 1384 Jal, New Mexico	Sinclair Oil & Gas Co. Box 1470 Midland, Texas	Gulf Oil Corp. Box 2167 Hobbs, New Mexico

Box 1957
Hobbs, New Mexico

January 26, 1955

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

Gentlemen:

We have been informed that Shell Oil Company has requested approval of a non-standard, 320-acre, gas proration unit in the Eumont Gas Pool, to be allocated to its State M-4, located in the center of Lot 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico. We understand that it is requested that such non-standard unit consists of the lands described as Lots 1, 2, 7, 8, 9, 10, 15, 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rules 3 and 5(b), New Mexico Oil Conservation Order R-520, as to said application for approval of above described non-standard gas proration unit.

Yours very truly,

SINCLAIR OIL & GAS COMPANY

FAIR BUILDING

FORT WORTH, TEXAS

R. O. BROCKE
DEPARTMENT DIVISION MANAGER
CLYDE BRETT
ASSISTANT DIVISION MANAGER

February 14, 1955

LOREN WARE
DIVISION EXPLORATION SUPT.
J. T. REEVES
DIVISION PRODUCTION SUPT.
R. E. DOSSER
DIVISION GAS & GAS PRODUCTS SUPT.

Shell Oil Company
Box 1957
Hobbs, New Mexico

Attention: Mr. W. E. Owen

Gentlemen:

RECEIVED		
FEB 15 1955		
HOBBS, N. MEX.		
<i>WEO</i>		
<i>BAS</i>		
<i>WEO</i>		
Reply	Discuss	File

Enclosed are three copies of the waiver you requested pertaining to your State M-4 Well located in Lea County, New Mexico.

Yours very truly,

W. J. Rogers
W. J. Rogers

WJR:FMA:ew

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
100-10000-11-11-55
CASE

Simola

Box 1957
Hobbs, New Mexico

January 26, 1955

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

Gentlemen:

We have been informed that Shell Oil Company has requested approval of a non-standard, 320-acre, gas proration unit in the Eumont Gas Pool, to be allocated to its State M-4, located in the Center of Lot 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico. We understand that it is requested that such non-standard unit consists of the lands described as Lots 1, 2, 7, 8, 9, 10, 15, 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rules 3 and 5(b), New Mexico Oil Conservation Order R-520, as to said application for approval of above described non-standard gas proration unit.

Yours very truly,

J. H. Keenan

Shell's J. L.

Box 1957
Hobbs, New Mexico

January 26, 1955

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

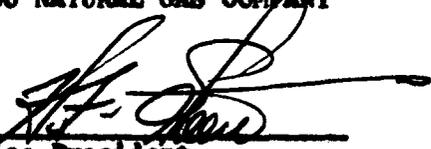
Gentlemen:

We have been informed that Shell Oil Company has requested approval of a non-standard, 320-acre, gas proration unit in the Eumont Gas Pool, to be allocated to its State M-4, located in the Center of Lot 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico. We understand that it is requested that such non-standard unit consists of the lands described as Lots 1, 2, 7, 8, 9, 10, 15, 16, Section 1, T-21-S, R-35-E, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rules 3 and 5(b), New Mexico Oil Conservation Order R-520, as to said application for approval of above described non-standard gas proration unit.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By 
Vice President

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Shell EXHIBIT No. 4
CASE 867



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. DRAWER 1290 · FORT WORTH 1, TEXAS

February 16, 1955

FORT WORTH
PRODUCTION DIVISION

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Shell Oil Company has made application for a 320-acre non-standard gas proration unit. We hereby waive notice of hearing and advise that we have no objection to the granting of said unit as described below:

Consisting of Lots 1, 2, 7, 8, 9, 10, 15, and 16 of Section 1, T-21-S, R-35-E, Eumont Gas Pool, Lea County, New Mexico, to be assigned to Shell Oil Company's State "M" Well No. 4, located in the approximate center of the said Lot 16.

Executed this 16th day of February, 1955.

Yours very truly,

GULF OIL CORPORATION

By: *Richard E. Brown*
Attorney-in-Fact

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Case EXHIBIT No. *5*
CASE *5675*