

SOUTHERN CALIFORNIA PETROLEUM CORPORATION

SUITE 905 PETROLEUM LIFE BUILDING . . . MIDLAND, TEXAS

PHONE 4-8044

June 22, 1956

Case #1093

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

Re: Amerada Cagle "C" No. 1,
Section 3, T26S, R37E
Jalmat Gas Pool, Lea County, New Mexico
Application for Exception to Rule 5 (a),
Order No. R-520, dated May 29, 1956.
Case No. 1093, set for Examiner Hearing
June 27, 1956, at Santa Fe, New Mexico

Gentlemen:

Southern California Petroleum Corporation objects to the assignment of a 480-acre non-standard proration unit to the subject well for the following reasons:

Amerada's application Paragraph (b): Requests 480-acre proration unit of the E $\frac{1}{2}$ and NW $\frac{1}{4}$ of Section 3, T26S, R37E:

This request is an exception to R-520 Rule 2 which states: "Each well drilled or recompleted within the Jalmat Gas Pool after the effective date of the rule shall be drilled not closer than 1980 ft. to any boundary line of the tract...."

Rule 5 (a) would allow a maximum of 320 acres for this 990-990 ft. location if the well was producing prior to the effective date of R-520. We, therefore, recommend a 160-acre proration unit be allowed this well.

Amerada's application Paragraph (d) states: "That the proposed non-standard gas proration unit may reasonably be productive of gas."

We do not feel this is a correct statement due to structural and stratigraphic conditions in this area. We believe it is common knowledge that a structural low extends along the Langlie-Mattix trend in the area, and would cause the E $\frac{1}{2}$ of said Section 3 to be low enough that it is definitely questionable whether the Yates zone would be productive of gas.

Further, a facies change exists in the Langlie-Mattix trend whereby the Yates sands are rapidly changing to anhydrite. We believe this change is occurring eastward across said Section 3, so that it is doubtful that the E $\frac{1}{2}$ of Section 3 would

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have good gas-producing characteristics in the Yates zone.

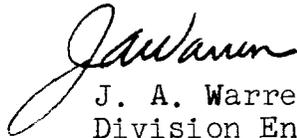
Also, there is at present no Yates production east of the Amerada No. 1-C Cagle because of this facies change.

We, therefore, recommend a 160-acre proration unit; namely, the NW $\frac{1}{4}$ of Section 3, T26S, R37E, be allowed this well.

Southern California Petroleum Corporation is the operator of a Yates gas well, No. 1 Dabbs, 990' FSL & 330' FWL of Section 34, T25S, R37E, approximately 2000' north and a little west of the Amerada No. 1-C Cagle, which is assigned a 160-acre proration unit.

Yours very truly,

SOUTHERN CALIFORNIA PETROLEUM CORP.



J. A. Warren
Division Engineer

cc El Paso Natural Gas Company
P. O. Box 1384
Jal, New Mexico

R. Olsen Oil Company
Drawer Z
Jal, New Mexico

Stanolind Oil & Gas Company
P. O. Box 899
Roswell, New Mexico

The Texas Company
P. O. Box 1270
Midland, Texas

Amerada Petroleum Corporation
Attention of Mr. D. C. Capps
Drawer D
Monument, New Mexico

CLASS OF SERVICE

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WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

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NEW MEXICO OIL CONSERVATION COMMISSION=

ATTN MR A L PORTER JR SANTA FE NMEX=

PLEASE AMEND AMERADA PETROLEUM CORPORATIONS APPLICATION FOR EXCEPTION TO RULE 5(A) ORDER R=520 FOR AMERADA'S CAGLE "C" NO 1 JALMAT POOL DATED MAY 29 1956 TO REQUEST THE CASE BE SET FOR HEARING IN LIEU OF REQUEST FOR ADMINISTRATIVE APPROVAL AND FURTHER CORRECT PARAGRAPH (A) TO LOCATE SUBJECT WELL IN THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 3 SAME BEING 990 FEET FROM THE NORTH AND WEST LINES OF SAID SECTION 3=

AMERADA PET CORP: R S CHRISTIE

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 2, 1956

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P

Y

Mr. R. S. Christie
Amerada Petroleum Corporation
P.O. Box 2040
Tulsa 2, Oklahoma

Dear Sir:

We enclose a copy of Orders R-885, R-890, R-893 issued September 27, 1956, by the Oil Conservation Commission in Cases 1142, 1092 and 1093, respectively.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

brp
Encls.