

Dallas, Texas  
October 1, 1953

Mr. J. Glenn Turner  
1711 Mercantile Bank Building  
Dallas, Texas

Re: Drilling Operations -  
Huerfanito Unit  
San Juan County, N. M.

Dear Sir:

This will confirm our previous conversations with you in that Magnolia Petroleum Company does not elect to drill and is agreeable for you to drill the proposed wells in the N $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 26, Township 27N, Range 9W in subject unit.

Very truly yours,

MAGNOLIA PETROLEUM COMPANY

*H. H. Beeson*

HJB:C

H. H. Beeson

cc: The Oil and Gas Supervisor (6)  
United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands (2)  
State of New Mexico  
Santa Fe, New Mexico

Oil Conservation Commission (2)  
State of New Mexico  
Santa Fe, New Mexico

RDH RTW WLH CVE WHS JLB SPH BJ

Dallas, Texas  
October 1, 1953

Skelly Oil Company  
Box 4083, Station A  
Albuquerque, New Mexico

Attention: Mr. Claude A. Teel

Re: Drilling Operations -  
Huerfanito Unit  
San Juan County, N. M.

RECEIVED  
OCT 3 1953  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

Gentlemen:

This will confirm our previous conversations with you in that Magnolia Petroleum Company does not elect to drill and is agreeable for you to drill the proposed well in the NW $\frac{1}{4}$  of Section 23, Township 27N, Range 9W in subject unit.

We also are in agreement for you to continue drilling to test the Mesa Verda formation in the event commercial production is not obtained in the Pictured Cliff formation.

Very truly yours,

MAGNOLIA PETROLEUM COMPANY

*H. H. Beeson*

H. H. Beeson

HHB:C

cc: The Oil and Gas Supervisor (6)  
United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands (2)  
State of New Mexico  
Santa Fe, New Mexico

Oil Conservation Commission (2)  
State of New Mexico  
Santa Fe, New Mexico

RDH RTW WLH CVE WHS JLB SPH BJ

**OIL CONSERVATION COMMISSION**  
P. O. BOX 871  
SANTA FE, NEW MEXICO

**August 18, 1953**

**C**  
**Magnolia Petroleum Company**  
**Natural Gas Department**  
**Dallas 1, Texas**

**Attention: Mr. H. H. Beeson**

**Gentlemen:**

**O**  
**P**  
**We are enclosing herewith an approved copy of the proposed**  
**Plan of Development, Huerfanito Unit, San Juan County, New Mexico**  
**for the remainder of the Year 1953.**

**Very truly yours,**

**R. R. Spurrier**  
**Secretary and Director**

**Y**  
**RRS:vc**  
**Encl.**

Up 10 11

# MAGNOLIA PETROLEUM COMPANY

A SOCONY-VACUUM COMPANY

## NATURAL GAS DEPARTMENT

DALLAS 1, TEXAS

August 13, 1953

R. D. HANLEY  
VICE PRESIDENT AND MANAGER  
H. H. BEESON  
ASSISTANT MANAGER  
J. W. BLACK  
ASSISTANT TO MANAGER  
C. V. EDWARDS, JR.  
GENERAL SUPERINTENDENT

AUG 17 1953

Oil Conservation Commission  
State of New Mexico  
Santa Fe, New Mexico

Re: Plan of Development  
Huerfanito Unit  
San Juan County, New Mexico

Gentlemen:

I am attaching herewith two copies of the proposed Plan of Development for the remainder of the Year 1953 for the subject Unit.

We ask that you review this Plan and, if it is acceptable, please advise us accordingly.

Very truly yours,

MAGNOLIA PETROLEUM COMPANY

H. H. Beeson

H. H. Beeson

HHB:eb  
Attach

cc: BJackson

PLAN OF DEVELOPMENT FOR THE  
REMAINDER OF THE YEAR -- 1953  
HUERFANITO UNIT  
SAN JUAN COUNTY, NEW MEXICO

The Oil and Gas Supervisor  
United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
Santa Fe, New Mexico

Magnolia Petroleum Company as Operator in compliance with Section 10 of the "Unit Agreement for the Development and Operation of the Huerfanito Unit Area, San Juan County, State of New Mexico", dated 31st day of May 1951, approved by the Acting Director, United States Geological Survey, and the Acting Assistant Commissioner of Indian Affairs on June 2, 1952, and by the Commissioner of Public Lands of the State of New Mexico on January 21, 1952, I Sec. No. 943, hereby submits our plan of development for said Unit as follows:

I - Description of Participating Area

Not applied for.

II - Past Development History - Dakota Zone

One well has been drilled, viz:

1. Magnolia Petroleum Company, Crandell-Federal No. 1, located 660' from the north line and 660' from the east line of Section 3-26N-9W, commenced December 13, 1951, completed March 14, 1952, gauged 75,000 cubic feet of gas per day from the Dakota Zone, total depth 6788 feet.

III - Past Development History - Pictured Cliff Zone

Two wells have been drilled, viz:

1. Magnolia Petroleum Company, Cleveland-Federal No. 1, located 1020.8' from the north line and 990' from the west line, Section 28-27N-9W, commenced October 23, 1952, completed December 10, 1952, gauged 33,000 cubic feet of gas per day, total depth of 2326 feet.
2. Skelly Oil Company No. 1-A Gentle, located 1090' from the north line and 1090' from the west line, Section 24-27N-9W, commenced January 21, 1953, completed March 3, 1953, gauged 640,000 cubic feet of gas per day, total depth 2141 feet.

IV - Plan of Development for the Dakota Zone

None Proposed.

V - Plan of Development for the Pictured Cliffs Zone

Commence operations for the drilling of five (5) wells, prior to December 31, 1953 to be located as follows:

1. NW $\frac{1}{4}$  Section 23-27N-9W
2. NW $\frac{1}{4}$  Section 25-27N-9W
3. SE $\frac{1}{4}$  Section 26-27N-9W
4. NE $\frac{1}{4}$  Section 26-27N-9W
5. NW $\frac{1}{4}$  Section 26-27N-9W

VI - Well Casing Program

The following pipe program is proposed:

Pictured Cliff Wells - Set surface pipe approximately 200-250 feet depending upon the location and cement to the surface. Set Production String on top of Producing Zone and cement sufficient to bring circulation to the surface.

VII - Offset Obligations

The Unit Operator, on behalf of itself and other owners of working interests will take appropriate and adequate measures to prevent drainage from lands subject to the Huerfano Unit Agreement by wells on lands not subject to said agreement, or pursuant to applicable regulations, pay a fair and reasonable compensatory royalty as determined by the Federal Oil and Gas Supervisor as to Federal and Indian lands, or the Commissioner of Public Lands as to State Lands.

VIII - Further Development

The plan of development as outlined herein shall constitute the future drilling obligations of said Unit Agreement for the period ending December, 1953.

It is further agreed that prior to the expiration of this plan of development another plan of development shall be submitted for approval for further development of the Unit.

IX - Effective Date

This plan of development shall be effective September 1, 1953.

X - Modifications

This plan of development may be modified, with necessary approval to meet changing conditions.

MAGNOLIA PETROLEUM COMPANY  
UNIT OPERATOR

*Approved August 18, 1953*

*W. R. R. Spurrier*  
*Secretary, Oil Conservation*  
*Commission*

By *W. H. Beery*



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

August 17, 1953

Magnolia Petroleum Company,  
Dallas 1,  
Texas.

Attention: Mr. H. H. Deeson


Gentlemen:

Receipt is acknowledged of your letter of August 13, 1953, enclosing six copies of the Plan of Development for the remainder of the calendar year 1953 filed pursuant to the provisions of the Huerfano unit agreement, New Mexico, I-Sec. No. 731, approved on June 6, 1950.

The Plan of Development has been approved on this date subject to like approval by the Commissioner of Public Lands, State of New Mexico, and the New Mexico Oil Conservation Commission, as provided in the unit agreement.

Two approved copies are returned herewith.

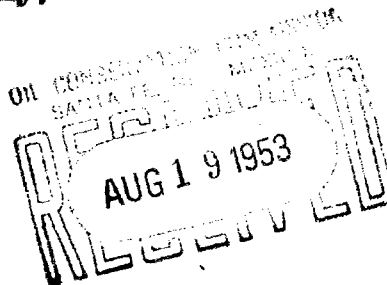
Very truly yours,

  
JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Enclosures 2

Copy to: Magnolia Petroleum Company  
Roswell, New Mexico (w/one copy of approved plan)

✓ New Mexico Oil Conservation Commission (ltr. only)  
Commissioner of Public Lands (ltr. only)



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 9, 1952

Mr. Clarence Hinkle  
Hervey, Dow & Hinkle  
Roswell, New Mexico

Dear Mr Hinkle:

In checking Case 286 - Magnolia Petroleum Company's application for approval of the Huerfanito Unit Area, San Juan County, New Mexico - we find we have no copies of the proposed Agreement for the operation and development. We have only the copies of Magnolia's application for approval of the Agreement.

We would appreciate your forwarding a copy of this application if ou have one available.

Very truly yours,

Secretary and Director

W

J. M. HERVEY  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
ROSWELL, NEW MEXICO

ROSS MADOLE  
WILLIAM C. SCHAUER

June 23, 1952

Mr. R. R. Spurrier  
Secretary, New Mexico Oil  
Conservation Commission  
Capitol Building  
Santa Fe, New Mexico

Re: Huerfanito Unit Agreement,  
San Juan County, New Mexico.

Dear Mr. Spurrier:

We enclose an approved copy of the above  
Unit Agreement, which you will notice was approved  
by the Commissioner of Indian Affairs and by the  
Director of the United States Geological Survey,  
on June 2, 1952.

Yours very truly,

HERVEY, DOW & HINKLE

By 

CEH:JH

Enclosure.

cc: Mr. H. J. Duncan  
Chief, Conservation Division  
United States Geological Survey  
Department of the Interior  
Washington, D. C.

Mr. Brantley Jackson  
Magnolia Petroleum Company  
Roswell, New Mexico

J. M. HERVEY  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
ROSWELL, NEW MEXICO

ROSS MADOLE  
WILLIAM C. SCHAUER

June 20, 1951

Mr. R. R. Spurrier, Secretary  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

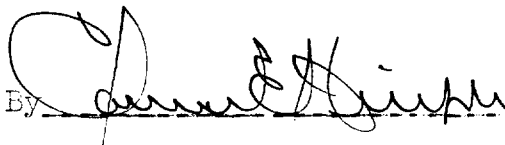
Dear Dick:

We hand you herewith three copies of proposed Agreement for the operation and development of the Huerfano Unit Area, San Juan County, New Mexico. We also enclose three copies of the application of the Magnolia for approval of the Agreement, with geological plat attached.

This Area has heretofore been approved by the U.S.G.S. as one suitable and proper for unitization. We would like to have a hearing on the application as quickly as possible and would appreciate your arranging for the necessary notice at your very earliest convenience. Please advise us of the date set for the hearing.

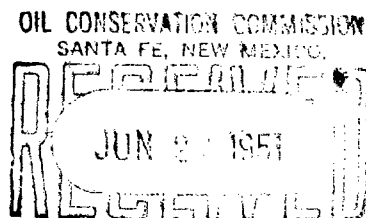
Yours very truly,

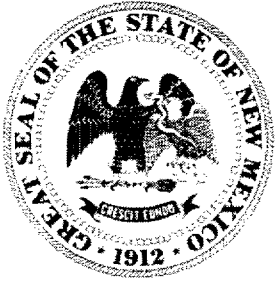
HERVEY, DOW & HINKLE

By 

CLH:vb

cc: Mr. S. P. Hannifin  
Magnolia Petroleum Company  
Roswell, New Mexico





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# Case File Banner

## for Backfile Conversion Only



Case Number: 286

THE MAGNOLIA PETROLEUM COMPANY

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### Report Description

This report shows an Case Number in Barcode format for purposes of scanning. The Barcode format is Code 39.