

Case No.

817

Application, Transcript,
Small Exhibits, Etc.

CASE 817: Application of Amariss Petroleum for approval of non-standard gas proration unit (Blindery Gas Pool)

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

May 9, 1955

Mr. M. F. Taylor
Box 574
AMARILLO, TEXAS

Dear Mr. Taylor:

This is to acknowledge your letter of May 6, and to send you additional copies of Orders R-581 and R-583 issued by this Commission in Cases 817 and 818, respectively.

I regret that we were apparently in error as to your address. On February 10 we sent you copies of these orders, which were directed to Box 573, Amarillo, Texas, rather than to your correct Box 574. Apparently these did not reach you.

I believe that the terms of Order R-583, which involves the forced communitization, will be self-explanatory. Please let me know, however, if you have any question or need for interpretation, and I will be glad to help you in any way I can.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:NR

cc: Mr. W. D. Girand, Jr.
Box 1326
HOBBS, N M

C
O
P
Y

CITY PROPERTY

FARM LAND

M. F. TAYLOR
REAL ESTATE AND RENTALS

ESTABLISHED 1904

AMARILLO, TEXAS

May 6, 1955

Mr. W. B. Lacey
Secretary-Director
Oil Conservation Commission
State of New Mexico
Box 871
Santa Fe, New Mexico

Dear Mr. Lacey:

On December 24, 1954, we received a letter from you addressed to Mr. and Mrs. M. F. Taylor, Box 573, Amarillo, Texas. The address should have been Box 574, Amarillo, Texas. You enclosed a copy of a legal notice dated December 24, 1954, being Cases Nos. 817 and 818.

CASE NO. 817

In the matter of the application of Famariss Petroleum Corporation for approval of non-standard gas proration unit. Applicant in the above styled case seeks approval of 120-acre permit, being Lots 2, 7 and 10, Section 4, Twp. 21 S., R. 37 E., N.M.P.M., Lea County, New Mexico.

Case No. 818

Application of Famariss Petroleum Corporation for compulsory communitization of Lots 2, 7 and 10, Section 4, Twp. 21 S., R. 37 E., N.M.P.M., Lea County, New Mexico.

We would like to know what they did with the two above cases. We know very little about this kind of business and will appreciate any information you will give us.

Very truly yours,

M F Taylor
M. F. TAYLOR

Encl. 2

M. F. Taylor
Box 574
Amarillo, Texas

M. F. T.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 10, 1955

Mr. W. D. Girard, Attorney
Box 1326
HOBBS, NEW MEXICO

Dear Sir:

In behalf of your client, Famariss Petroleum Corporation,
we attach copies of the following orders which were signed
by the Commission on February 9, 1955:

Order R-581 in Case 817
Order R-583 in Case 818

Copies of the order in Case 818, which was concerned with
Famariss Petroleum Corporation's application for an order
calling for the compulsory communitization of Lots 2, 7 and
10 of Section 4, Township 21 South, Range 37 East, NMPN, Lea
County, N. M., are also being sent to the individuals indi-
cated below.

Very truly yours,

W. B. Macey, Secretary-Director

WBH:mr

cc: Mr. M. F. Taylor
Box 573
Amarillo, Texas

R. B. Glenn
1220 Milan
Amarillo, Texas

L. H. Puckett
2700-3 Westhaven Circle
Amarillo, Texas

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:**

**CASE NO. 817
Order No. R-581**

**THE APPLICATION OF FAMARIS
PETROLEUM CORPORATION FOR
AN ORDER AUTHORIZING THE
FORMATION AND ESTABLISHMENT
OF A NON-STANDARD GAS PRORATION
UNIT OF 120 ACRES CONSISTING OF
LOTS 2, 7, AND 10 OF SECTION 4, TOWN-
SHIP 21 SOUTH, RANGE 37 EAST, NMPM,
LEA COUNTY, NEW MEXICO, IN THE
BLINEBRY GAS POOL, AND FOR THE ASSIGN-
MENT OF THE ACREAGE IN SUCH UNIT TO THE
FAMARIS PETROLEUM CORPORATION'S E. C.
HILL NO. 1, FOR GAS PRORATION PURPOSES
IN THE BLINEBRY GAS POOL.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on January 13, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 9th day of February, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
2. That pursuant to provisions of Rule 7 (a) of Order No. R-372-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.
3. That applicant, Famaris Petroleum Corporation, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal quarter section, and described as follows, to-wit:

**TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Lots 2, 7, and 10 of Section 4**

containing 120 acres, more or less.

4. That applicant, Famariss Petroleum Corporation, has a producing well on the aforesaid lease known as the E. C. Hill No. 1, located in Lot No. 10, 3300' from the north line and 1730' from the east line of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

5. That the aforesaid well is located within the horizontal and vertical limits of the pool heretofore delineated and designated as the Blinebry Gas Pool.

6. That it is impractical to pool applicant's said lease with adjoining acreage, and that the owners of adjoining acreage in said section have not objected to the formation of the proposed proration unit of 120 acres.

7. That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas from the Blinebry Gas Pool.

8. That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

9. That all the acreage in the proposed unit is reasonably presumed to be productive of gas at the present time from the Blinebry Gas Pool.

IT IS THEREFORE ORDERED:

1. That the application of Famariss Petroleum Corporation for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Lots 2, 7, and 10 of Section 4

be and the same is hereby approved, and a proration unit consisting of the aforesaid acreage is hereby created.

2. That, for the purposes of gas proration in the Blinebry Gas Pool, the acreage included in said unit is hereby assigned to the Famariss Petroleum Corporation's E. C. Hill No. 1, located in Lot 10 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, and that said well shall be granted an allowable from the 1st day of March, 1955, in the proportion that 120 acres bears to the standard or orthodox proration unit for the Blinebry Gas Pool, all until further order of the Commission

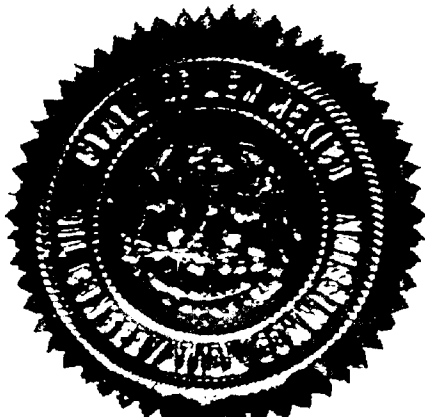
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

State of New Mexico
Oil Conservation Commission

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary





COPY

December 22, 1954

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

Attention of Mr. W. B. Macey

- Re: A. Application for non-standard gas proration unit for the Famariss Petroleum Corporation Hill #1 well. The non-standard unit to be comprised of Lots 2, 7, and 10, of Section 4, T21S, R37E, N.M.P.M., Lea County, New Mexico.
- B. Application for recognition by the Commission of the above proposed non-standard unit as being a properly and legally communitized lease.

Gentlemen:

By this letter of application, the Famariss Petroleum Corporation wishes to state the following:

1. Reference is made to our application for nonstandard unit, dated October 13, 1954, which is on file with the Commission. The above application should be made a part hereto and a copy of such is attached.
2. Famariss Petroleum Corporation, et al, is the holder of the oil and gas lease covering Lot #10 on which lot the said Hill #1 well is located.
3. Effective December 13, 1954, the Monterey Oil Company assigned their 7/8 lease covering Lots 2, 7, to Famariss Petroleum Corporation, et al. A copy of this assignment is attached.

New Mexico Oil Conservation Commission

Page 2

December 22, 1954

4. Prior to December 1, 1954, Lots 2 and 7 were held under lease by the Fullerton Oil Company of Pasadena, California. Effective December 1, 1954, Monterey Oil Company of Los Angeles, California purchased the lease covering Lots 2 and 7.
5. Since the time of the application; No. 1 above, it has come to our attention that the lease held by the Fullerton Oil Company (now Monterey Oil Company) did not have a "pooling clause" as to gas production and the production of fluid incidental to the production of gas.

As operator of this proposed gas unit, we have assumed the responsibility of obtaining approval from the various lease-held interests to pool all of the acreage in the proposed gas unit for the purpose of producing gas and incidental fluids from the well located in Lot #10 of the application.

We have been successful in obtaining this agreement from the various interests with the following exceptions:

- | | <u>Royalty</u> |
|--|----------------------|
| A. M. F. Taylor and wife
Box 573
Amarillo, Texas | 1/4 of 1/8 of 8/8ths |
| B. R. B. Glen and wife
1220 Milam
Amarillo, Texas | 1/4 of 1/8 of 8/8ths |
| C. L. H. Puckett and wife
2700 B Westhaven Circle
Amarillo, Texas
(Office - Amarillo Building) | 1/8 of 1/8 of 8/8ths |
| D. At present, we do not have the signature of Mrs. C. H. Kyte; however, it is expected shortly. She was not available when we contacted Mr. C. H. Kyte. | |

New Mexico Oil Conservation Commission

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December 22, 1954

All others in the total lease hold interests have expressed their desire to communitize. A copy of the signatures of those desiring to communitize the proposed gas unit is attached.

At Present:

For Pooling for Gas Production
59/64

Against Pooling for Gas Production
5/64

6. In view of the various supporting documents; in the interest of conservation; and in line with sound production practices, we respectfully request the following:

- A. That the non-standard gas proration unit be approved.
- B. That the Commission recognize the proposed unit as being a properly and legally communitized lease.
- C. That the application come before the Commission for action at the January, 1955 hearing.

Very truly yours,

FAMARISS PETROLEUM CORPORATION

Paul S. Johnston
Vice-President

PSJ/b

Enc.

October 13, 1954

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

Attention: W. B. Macey, Director

Re: Application for Non-Standard gas proration
unit for the Famariss Petroleum Corporation
Hill #1, Lea County, New Mexico

Gentlemen:

By this letter of application Famariss Petroleum Corporation
wishes to state the following:

- (a) That the Famariss Petroleum Corporation, E. C. Hill #1 is located in Lot #10, of Section 4, Township 21 South, Range 37 East, 3900 F.W.L. and 1730 F.E.L. of the described section and was completed at a total depth of 6155' producing from perforations from 5630-5780; and 5800-5870.
- (b) That the location was moved 250 feet to the east from the center of the 40 acre unit of Lot #10, occasioned by topographical conditions and a pipe line "right-of-way". That prior to the movement of the location from the standard gas well location requirements, Famariss Petroleum Corporation contacted the New Mexico Oil Conservation Commission and the Shell Oil Company and obtained from them permission to locate the well as above described.
- (c) Therefore, the Famariss Petroleum Corporation hereby

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

October 13, 1954
Page.....Two

- (d) The following offset operators have been notified by Registered Mail:

Western Oil Fields, Inc.
Shell Oil Company
Fullerton Oil Company
Continental Oil Company
Stanolind Oil & Gas Company
Atlantic Refining Company
Standard Oil Company of Texas

- (e) Attached is a plat showing the location of the proposed proration unit.
- (f) Note: This application amends the original application in that,the original application of September 13, 1954, included Lot #1 of Sec. 4. The unit will, however, consist only of Lots 2, 7, and 10, of Section 4.

Very truly yours,

FAMBEISS PETROLEUM CORPORATION

Paul S. Johnston

Paul S. Johnston
Vice-President

PSJ/bp

Encs.

OIL CONSERVATION COMMISSION

Gas Well Plat

Date October 11, 1934

Fanneries Petroleum Corp. MILL 1
Operator Lease Well No.

Name of Producing Formation Blinberry Pool Blinberry Gas

No. Acres Dedicated to the Well 120

SECTION 6 TOWNSHIP 21S RANGE 17E

		2	
		7	3300'
		10	1730'
<p>NOTE: This section is a long section contained by a change in Township lines and the acreage involved is divided into 40 acre lots.</p>			

I hereby certify that the foregoing is a true and complete statement of my knowledge.

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INSTRUCTIONS

1. Is this gas well a dual completion? Yes _____ No. X
2. If the answer to Question 1 is Yes, are there any other
dualy completed wells within the dedicated acreage?
Yes _____ No. _____

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, on the 3rd day of April, 1939, M. F. Taylor and wife, Anna M. Taylor, and H. O. Glenn and wife, Frances Glenn, made, executed and delivered their certain Oil, Gas and Mineral Lease, as Lessors, to F. J. Dangle, as Lessee, said lease appearing of record in Book 35, Page 482, of the Oil and Gas Lease Records of Lea County, New Mexico, covering the following described land located in Lea County, New Mexico, to wit:

Lots 5, 6, 9, 10 and 11 in Section 37 and
Lots 2, 7 and 8 in Section 4, Township 21
South, Range 37 East, N.M.P.M., containing
117.89 acres, more or less; and

WHEREAS, the undersigned Monterey Oil Company is
the owner and holder of said lease insofar as it covers the
land hereinafter described:

NOW, THEREFORE, for and in consideration of the sum
of One Dollar (\$1.00) and other good and valuable considerations,
MONTEREY OIL COMPANY, a Delaware corporation, does hereby

assign, sell, transfer, assign and convey all of its rights,
title and interest in and to said lease insofar as it pertains
to the production of oil and gas, and oil which is produced inciden-
tally to the production of gas, in the so-called "minebry zone"

located in Section 4, Township 21 South,
Range 37 East, N.M.P.M., Lea County, New
Mexico.

IN WITNESS WHEREOF, the undersigned Monterey Oil Company
has hereunto set its hand and seal of office, this 3rd day of
April, 1939.

upon the Lessee under said lease as to such gas, gas condensate, and/or oil which is produced incidentally to the production of such gas.

Assignor covenants that it has not previously conveyed the interests herein assigned and that the same are free of all liens and encumbrances made or suffered by Assignor.

Concurrently herewith and in consideration of the foregoing, the said Famariss Petroleum Corporation, Jennings Drilling Company and Morris R. Antweil shall jointly and severally assign to Monterey Oil Company, its successors and assigns, an overriding royalty of one-third (1/3) of the net profits accruing to the seven-eighths (7/8) working interest from the production of gas, gas condensate, and oil produced incidentally to the production of gas, from the gas well known as the Famariss Petroleum Corporation No. 1, E. Hill well, located on Lot 10, Section 4, Township 21 South, Range 37 East, W.E.P.M., Lea County, New Mexico.

WITNESSE the execution hereof this 13th day of
December, 1934.

1947

OFFICE OF THE ATTORNEY GENERAL

WASHINGTON, D. C.

REPORT OF THE
COMMISSIONER OF THE GENERAL LAND OFFICE
My Commission Expires March 25, 1947

RECEIVED
MAY 15 1947

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This agreement entered into by and between the Fullerton Oil & Gas Corporation, Pasadena, California; M. F. Taylor and wife, Anna Taylor, Amarillo, Texas; R. B. Glenn and wife, _____ Glenn, Amarillo, Texas; L. H. Puckett and wife, _____ Puckett, Amarillo, Texas; James N. Coll and wife, _____ Coll, Chaves County, New Mexico; C. H. Kyte and wife, Mariee I. Kyte, Chaves County, New Mexico; Cecil H. Kyte, Trustee under Declaration of Trust recorded in Book 45, Page 264, Miscellaneous Records of Lea County, New Mexico, of Chaves County, New Mexico; Charles H. Coll and wife, _____ Coll, Chaves County, New Mexico; Max W. Coll II and wife, _____ Coll, Chaves County, New Mexico; Jon F. Coll and wife, _____ Coll, Chaves County, New Mexico; Famariss Petroleum Corporation of Hobbs, Lea County, New Mexico; Jennings Drilling Company, a partnership of Hobbs, Lea County, New Mexico; Morris R. Antweil and wife, Rose Antweil, of Hobbs, Lea County, New Mexico; and J. Hiram Moore and wife, Betty Moore, of Hobbs, Lea County, New Mexico; and E. C. HILL and wife, CORA HILL;

W I T N E S S E T H:-

That all of the parties to this agreement are owners of interests in oil and gas leases, overriding royalties, royalties, and/or minerals that may be produced, saved and marketed from the following described lands located in Lea County, New Mexico, to-wit:

Lots 2, 7 and 10 in Section 4, Township 21
South, Range 37 East, N.M.P.M.,

and desire to unitize and pool their interests in and to the above described land, thereby creating a 120 acre proration unit for the production of gas and gas condensate from a well now located on Lot 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

NOW, THEREFORE, it is agreed that the following named companies and individuals are the owners of all of the mineral interest, as more particularly hereinafter set out, covering

Lots 2 and 7 in Section 4, Township 21 South, Range 37 East,
N.M.P.M., Lea County, New Mexico, to-wit:

Working Interest

Fullerton Oil & Gas Corporation	7/8ths
---------------------------------	--------

Mineral Interest

M. F. Taylor	1/4th
R. B. Glenn	1/4th
L. H. Puckett	1/8th
James N. Coll	1/32nd
C. H. Kyte	3/16ths
Cecil H. Kyte, Trustee	1/16th
Charles H. Coll	1/32nd
Max W. Coll II	1/32nd
Jon F. Coll	1/32nd

And it is agreed by the above named parties executing this agreement that that certain Oil, Gas and Mineral Lease dated April 3, 1939 and executed by M. F. Taylor and wife, Anna Taylor, and N. O. Glenn and wife, Frances Glenn, as lessors, to F. J. Danglade, as lessee, recorded in Book 35, Page 482 of the Oil and Gas Lease Records of Lea County, New Mexico, is a valid, existing oil and gas lease and the same is hereby ratified and confirmed.

That the following named companies and individuals are the owners of all of the mineral interest as more particularly hereinafter set out covering Lot 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, to-wit:

Working Interest

Famariss Petroleum Corporation	1/2
Jennings Drilling Company	1/4th
Morris R. Antweil	1/4th

Mineral Interest

E. C. Hill	1/8th
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Overriding Royalty

J. Hiram Moore	1/8th of 8/8ths
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And it is agreed by the above named parties executing this agreement that that certain Oil, Gas and Mineral Lease dated March 22, 1954, executed by E. C. Hill and wife, Cora Hill, as lessors to J. Hiram Moore, as lessee, recorded in Book 115, Page 301, Oil and Gas Lease Records of Lea County, New Mexico, is a valid, existing oil and gas lease and the same is hereby ratified and confirmed.

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived by the parties executing this agreement, it is agreed that Lots 2, 7 and 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, may be unitized and established into one proration unit and the parties executing this agreement, their heirs, successors and assigns, shall be entitled to participate in and to the production of gas and gas condensate from the well located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as their interest under the lands claimed and owned by them bears to the total acreage under the entire proration unit to be established.

It is further mutually agreed and understood that all of the land dedicated to this proration unit is capable of producing gas and gas condensate from the same zone from which gas and gas condensate are now being produced from the well bore located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

It is further understood and agreed between the parties that the production of gas in the known gas pools in the State of New Mexico is prorated on an acreage basis and by the creation of this unit, the parties hereto shall receive their proportionate part of the gas produced and saved from the well bore located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

For the same consideration all parties executing this agreement consent and ratify the establishing of a proration unit consisting of Lots 2, 7, 10, in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as a gas

Proration unit.

IN WITNESS WHEREOF, our hands this the 9 day of
~~December~~, A.D., 1954.

ATTEST:

Secretary

FULLERTON OIL & GAS CORPORATION

BY _____
President

M. F. Taylor

Anna Taylor

R. B. Glenn

Glenn

L. H. Puckett

Puckett

Lillian Hinkle Coll, Guardian
James N. Coll

Coll

C. H. Kyte
C. H. Kyte

Marlee I. Kyte

Cecil H. Kyte Trustee
Cecil H. Kyte, Trustee

Lillian Hinkle Coll, Guardian
Charles H. Coll

Coll

Max W. Coll II
Max W. Coll II

Martha M. Coll
Coll

Lillian Hinkle Coll, Guardian
Jon F. Coll

Coll

FAMARISS PETROLEUM CORPORATION

BY *Walter Tamm*
President

ATTEST: _____
Secretary

JENNINGS DRILLING COMPANY

BY Randall Jennings
Partner

Morris R. Antweil
Morris R. Antweil

Rose Antweil
Rose Antweil

J. Hiram Moore Betty Moore
J. Hiram Moore & Betty Moore

E. C. Hill
E. C. Hill

Cora Hill
Cora Hill

STATE OF CALIFORNIA }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954, before me personally appeared _____ to me personally known, who, being by me duly sworn, did say that he is the _____ President of FULLERTON OIL & GAS CORPORATION, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the date in this certificate first above written.

My Commission Expires: _____

NOTARY PUBLIC

STATE OF TEXAS }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared M. F. TAYLOR and wife, ANNA TAYLOR, R. B. GLENN, and wife, _____ GLENN, L. H. PUCKETT and wife, _____ PUCKETT, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: _____

NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

On this the 6th day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared E. C. HILL and wife, CORA HILL, to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 1-1-56

NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

On this the 6th day of December, A.D., 1954, before me personally appeared WALTER FAMARISS, JR., to me personally known, who, being by me duly sworn, did say that he is the President of FAMARISS PETROLEUM CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said WALTER FAMARISS, JR., acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the date in this certificate first above written.

My Commission Expires: 8-20-58

Mrs. Betty Bulich
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

On this the 3rd day of December, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared Herbert Jennings, partner of JENNINGS DRILLING COMPANY, a partnership, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as a partner and as the free act and deed of said JENNINGS DRILLING COMPANY.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 6-30-56

Rachael W. Law
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

On this the 3rd day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared MORRIS R. ANTWEIL and wife, ROSE ANTWEIL, to me personally known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 6-30-56

Rachael W. Law
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

On this the 6th day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared J. HIRAM MOORE and wife, BETTY MOORE, to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 6-30-58

Mrs. Betty Bulich
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF Chaves } SS.

On this the 9 day of December, A.D., 1954, ^{Charles} before the undersigned authority in and for said county and state, E. Coll; personally appeared ~~William M. Coll, Gordon C. Jones E. Coll, & Jan P. Coll,~~ to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed. ^{Minors} , and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

November 24, 1956

J. J. Jackson
NOTARY PUBLIC

STATE OF _____ }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954 before the undersigned authority in and for said county and state personally appeared _____ to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF _____ }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954, before the undersigned authority in and for said county and state personally appeared _____ to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF CHAVES } SS.

On this the 7 day of December, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared JAMES N. COLL and wife, COLL, CHARLES H. COLL and wife COLL, MAX W. COLL II and wife, COLL, Martha M. COLL, JON P. COLL and wife, COLL, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

Feb 17, 1956

Wm J. Warner
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF CHAVES } SS.

On this the 7 day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared C. H. KYTE ~~and wife, MARIE KYTE~~, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that ~~they~~ executed the same as ~~their~~ free act and deed.

his

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

November 24, 1956

L. J. Jackson
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF CHAVES } SS.

On this the 7 day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared CECIL H. KYTE, Trustee under Declaration of Trust recorded in Book 45, Page 264, Miscellaneous Records of Lea County, New Mexico, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

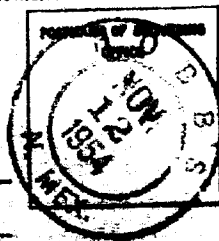
My Commission Expires:

November 24, 1956

L. J. Jackson
NOTARY PUBLIC

Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢
(50¢)



Return to Famariss Oil & Refining Co.

Street and Number,
or Post Office Box, P. O. Box 2497

Post Office Hobbs,

State New Mexico

Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢
(50¢)



Return to Famariss Oil and Refining Co.

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or Post Office Box,

P. O. Box 2497

REGISTERED ARTICLE

No. 2733

INSURED PARCEL

Post Office Hobbs,

State New Mexico

Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢
(50¢)



Return to Famariss Oil and Refining Co.

Street and Number,
or Post Office Box,

P. O. Box 2497

REGISTERED ARTICLE

No. 2732

INSURED PARCEL

Post Office Hobbs,

State New Mexico

Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢
(50¢)



Return to Famariss Oil & Refining Co.

Street and Number,
or Post Office Box,

(NAME OF SENDER)

P. O. Box 2497

REGISTERED ARTICLE

No. 2730

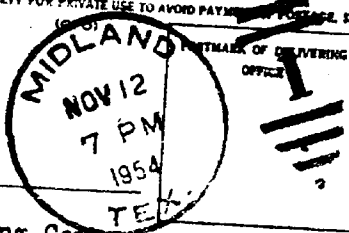
INSURED PARCEL

Post Office Hobbs,

State New Mexico

Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢
(50¢)



Return to Famariss Oil & Refining Company

Street and Number,
or Post Office Box,

(NAME OF SENDER)

P. O. Box 2497

REGISTERED ARTICLE

No. 2729

INSURED PARCEL

Post Office Hobbs,

State New Mexico

Case 817

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

Shell Oil Co
(Signature or name of addressee)

Plunk
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)



Case 817

Form 3811
Rev. 1-4-40

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

1 *Fullerton Oil & Gas Corp.*
(Signature or name of addressee)

2 *Billie Hensley*
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *Nov 16*, 19*54*

U. S. GOVERNMENT PRINTING OFFICE 16-12421

Case 817

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

Fullerton Oil & Gas Corp.
(Signature or name of addressee)

Billie Hensley
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *Nov 16*, 19*54*

U. S. GOVERNMENT PRINTING OFFICE 16-12421

Case 817

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Fullerton Oil & Gas Corp.
(Signature or name of addressee)

Billie Hensley
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *Nov 16*, 19*54*

U. S. GOVERNMENT PRINTING OFFICE 16-12421

Case 817

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

Fullerton Oil & Gas Co
(Signature or name of addressee)

2 *L. Beauchamp*
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *NOV 13*, 19*54*

U. S. GOVERNMENT PRINTING OFFICE 16-12421

Form 3811
Rev. 1-4-40

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

1 *Atlantic Ref. Co. 6640*
(Signature or name of addressee)

2 *R. B. Keyes*
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *NOV 12 1954*, 19

U. S. GOVERNMENT PRINTING OFFICE 16-12421

Form 3811
Rev. 1-4-40

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

1 *Fullerton Oil & Gas Corp.*
(Signature or name of addressee)

2 *Wayne Bloomer*
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery *NOV 12 1954*, 19

U. S. GOVERNMENT PRINTING OFFICE 16-12421

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 817

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
State of New Mexico
Santa Fe, New Mexico
January 13, 1955

IN THE MATTER OF:

Application of Famariss Petroleum Corporation
for approval of a non-standard gas proration
unit in the Blinebry Gas Pool consisting of
120 acres of land, more or less, being Lots
2, 7 and 10 of 4-21S-37E, Lea County, New
Mexico.

Case No.
817

BEFORE:

Mr. E. S. (Johnny) Walker
Mr. W. B. Macey, Secretary

TRANSCRIPT OF PROCEEDINGS

MR. MACEY: The next case on the docket is Case 817. I would
like to have Mr. Johnston sworn, please.

PAUL S. JOHNSTON

having been called as a witness, having been first duly sworn,
testified as follows:

DIRECT EXAMINATION

By MR. GIRAND:

Q Will you state your name, please, sir?

A Paul S. Johnston.

Q Are you associated with the Famariss Petroleum Corporation?

A I am.

Q In what capacity, Mr. Johnston?

A Vice President.

Q Mr. Johnston, have you ever qualified as an engineer or geol-
ogist before this Commission?

A No, I have not.

Q Will you briefly state your education and experience?

A Bachelor of Science degree in Petroleum Engineering, University of Oklahoma, in '48; Master Petroleum Engineering, University of Oklahoma in '49; spent a year and a half teaching at Oklahoma University.

Q In what capacity?

A As a Professor of Petroleum Engineering, and one year at Texas Tech, teaching Petroleum Engineering as a professor.

Q At the present time, Mr. Johnston, are you engaged in geological work on behalf of your company?

A I am.

MR. GIRAND: We submit the witness's qualifications.

MR. MACEY: His qualifications are accepted.

Q The Famariss Petroleum Corporation has filed an application for an unorthodox location, Mr. Johnston, covering Lots 10, 2 and 7 in Section 4, Township 21 South, Range 37 East, in Lea County, New Mexico. Are the Famariss Petroleum Corporation and their associates the owners of the working interest to all those tracts?

A Yes, sir.

Q The total acreage involved is approximately 120 acres?

A That is correct.

Q Have you made a study of the geology surrounding those 30 acre tracts?

A Yes, sir, I have.

Q In your opinion, do you feel that all the tracts, or all the acreage involved is capable of producing gas?

A I do.

Q You have a well located in Lot 10, I believe.

A Yes, sir.

Q Will you give the location of that well bore?

A That well is located 3300 feet from the north line of the section, and 1730 feet from the east line of the section.

Q The actual spacing of the well is not orthodox, is that correct?

A No, it is not.

Q Was permission obtained from the Oil Conservation Commission for the unorthodox location of the well bore?

A Yes, sir, and also from the Shell Oil Company, who offset the acreage to the east.

Q Mr. Johnston, were all of the offset operators notified of your application?

A Yes, sir, they were.

Q By registered mail?

A Yes, sir.

MR. GIRAND: If the Commission please, we would like to introduce the return receipts on the registered notices to all offset operators.

Q At what depth is your well completed, Mr. Johnston?

A The total depth of the well at this time is 6155 feet.

Q And what is the designated horizon for which you are producing?

A The Blinebry.

Q And it is definitely identified as being a gas producer in that zone?

A In the Blinebry Zone, yes.

Q Do you feel that the other acreage involved is capable of producing oil from that zone?

A Only insofar as it might be incidental fluid for the production of gas.

MR. GIRAND: Any questions of the witness? If not the witness may be excused. Do you have anything further in this particular case, Mr. Girand?

MR. GIRAND: Nothing further in this particular case.

MR. REIDY: Charles Reidy for the Oil Commission. I would like to get some questions answered on the record.

CROSS EXAMINATION

By MR. REIDY:

Q A well is a tub, is it not, sir?

A Yes, it is.

Q And that is to the bottom of the hole?

A It is to the present bottom, 6155.

Q And about how much fluid does the well make per day?

A At present we are producing about one million cubic feet of gas per day, and our average production would be 25 barrels of distillate, or under, on the average.

Q In the approximate gravity of that?

A Correct.

MR. REIDY: That is all.

MR. MACEY: I am not quite sure you put it in the record, but the unorthodox location was solely because of topography on the lands?

MR. GIRAND: Permission was granted.

MR. MACEY: It definitely was due to topography, is that correct?

RE-DIRECT EXAMINATION

By MR. GIRAND:

Q In regard to the location of the well bore, will you just briefly state for the record, the topographical location that was found there?

A Yes, sir. This well is located in what was called the Monument-Draw. The actual 660 measurement came out on top of a knoll, a small rise in the ground, that was covered by a hard limestone cap there, and in order to put the well on that particular spot, we would had to have done a considerable amount of dirt work and blasting, and so on, in order to put the rig up and have room for our pipe racks, our pits and things like that. A conservative estimate on dirt work and blasting work to clear the location would be in excess of, oh, \$8,000.00.

Q The entire matter was submitted to the Commission before the commencement of drilling?

A Yes, it was.

MR. GIRAND: Thank you. That is all.

MR. MACEY: Any other questions of the witness? If not the witness may be excused. We will take Case 317 under advisement and proceed to Case 318.

* * *

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } ss

I, HELEN PURCELL, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 21st day of January, 1955.

My Commission Expires:
December 18, 1957

Helen Purcell
NOTARY PUBLIC

ADA DEARNLEY & ASSOCIATES
STENOGRAPHIC REPORTERS
ALBUQUERQUE, NEW MEXICO
TELEPHONE 3-6691

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following public hearings to be held at 9 o'clock a.m. on January 13, 1955, at Mabry Hall, State Capitol, Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases,
and notice to the public.

CASE 817:

In the matter of the application of Famariss Petroleum Corporation for approval of a non-standard gas proration unit.

Applicant, in the above-styled cause, seeks approval of the creation of a 120-acre non-standard gas proration unit in exception to the Special Rules and Regulations for the Blinbry Gas Pool, as set forth in Order R-372-A, consisting of Lots 2, 7, and 10 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

CASE 818:

In the matter of the application of Famariss Petroleum Corporation for compulsory communitization of Lots 2, 7 and 10 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, containing 120 acres of land, more or less.

Applicant, in the above-styled cause, seeks an order directing and compelling the following named individuals, to whom particular notice is hereby given, namely:

H. F. Taylor and wife,
P. O. Box 573,
Amarillo, Texas

R. B. Glenn and Wife,
1220 Milam Street,
Amarillo, Texas

L. H. Puckett and Wife,
2700-B Westhaven Circle,
Amarillo, Texas

Mrs. C. H. Kyte,
P. O. Box 1,
Roswell, New Mexico

to communitize or pool their royalty interests in Lots 2 and 7 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, containing 80 acres of land, more or less, pursuant to the terms of a certain communitization agreement on file in the office of the Oil Conservation Commission at Santa Fe, New Mexico, to form a communitized unit consisting of Lots 2, 7, and 10 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, containing approximately 120 acres of land, more or less, for the purpose and intention of developing and producing dry gas and liquid hydrocarbons from the Blinbry formation.

GIVEN under the seal of the Oil Conservation Commission at Santa Fe, New Mexico, on this 24th day of December, 1954.