

Casa No.

80

Application, Transcript,  
Small Exhibits, Etc.

Cooperating Agency for the Department of Justice

COOPERATING AGENCY FOR THE DEPARTMENT OF JUSTICE

1944



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

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

CASE NO. 80

ORDER NO. 658

THE PETITION OF OPERATORS' COMMITTEE UNDER  
MALJAMAR COOPERATIVE REPRESSURING AGREEMENT  
FOR AMENDMENT TO ORDER NO. 485, AS AMENDED  
BY ORDER NO. 595 OF THE COMMISSION, TO  
PROVIDE FOR THE RUNNING OF BACK ALLOWABLE  
FROM THE MALJAMAR COOPERATIVE REPRESSURING AREA.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at Santa Fe, New Mexico, at ten o'clock  
A.M., June 7, 1946, before the Oil Conservation Commission of New Mexico,  
hereinafter referred to as the "Commission".

NOW, on this 7th day of June, 1946, the Commission having before it  
for consideration the testimony adduced at the hearing of said case and being  
fully advised in the premises;

IT IS THEREFORE ORDERED THAT:

SECTION 1. Order 485 as amended by Order 595 is hereby further amended  
by the addition of a new section as follows:

"IX". Back allowable shall be permitted beginning with December 1,  
1945, but shall not exceed the maximum daily rate of back allowable currently  
prescribed by the Commission. Said nomination shall show back allowable in  
total barrels separately from the current allowable. A separate or additional  
column shall be provided in said schedule showing the number of barrels daily  
of back allowable for each proration unit in order to distinguish back  
allowable from current allowable shown in said schedule as computed by said  
formula".

SECTION 2. The order herein shall become effective July 1, 1946.

Done at Santa Fe, New Mexico, as of the day and year hereinabove  
designated.

OIL CONSERVATION COMMISSION

John J. Dempsey, Chairman

John E. Miles, Member

R. R. Spurrier, Secretary

(OFFICIAL SEAL)

June 28, 1946



OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

June 26, 1946

John E. Cochran, Jr., Esquire  
Maljamar Cooperative Repressuring Agreement  
Artesia, New Mexico

Re: Order 658, Case 80

Dear John:

Enclosed please find executed original and one copy of the  
above captioned order.

Very truly yours,

Chief Clerk & Legal Adviser

CHL:MSH  
cc Emory Carper  
Wm. J. Wright

C  
O  
P  
Y



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OIL CONSERVATION COMMISSION

  
JOHN J. DEMPSEY, CHAIRMAN

  
JOHN E. MILES, MEMBER

  
R. R. SPURR, SECRETARY

SEAL



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF THE DEKALB AGRICULTURAL ASSOCIATION, INC.  
FOR AN ORDER OF APPROVAL OF THE UNIT AGREEMENT FOR THE DEVELOPMENT AND OPER-  
ATION OF THE BITTER LAKE UNIT AREA WITHIN T. 10S, RANGES 25 and 26 EAST,  
N.M.P.M., CONTAINING 9,032.38 ACRES, MORE OR LESS, CHAVES COUNTY, NEW MEXICO.

Pursuant to notice by the Commission, duly made and published, setting  
June 7, 1946 at 10:00 A. M. for hearing in the above-entitled matter,  
said hearing was convened on said day at said hour in the Coronado Room at  
La Fonda Hotel, Santa Fe, New Mexico, the Commission sitting as follows:

Commissioner of Public Lands John E. Miles, Member  
R. R. Spurrier, Secretary  
Carl B. Livingston

R E G I S T E R

<u>NAME</u>	<u>COMPANY</u>	<u>ADDRESS</u>
William B. Mooney	Oil Conservation Commission	Artesia, N. M.
H. R. Lamb	State Bureau of Mines	Artesia, N. M.
S. W. Lufkin		Reswell, N. M.
Frank D. Gardner	Sinclair Petrole Oil Company	Midland, Texas
E. J. Ward	Langtry Oil Company	Artesia, N. M.
R. F. Miller	Langtry Oil Company	Artesia, N. M.
W. F. Patterson		Santa Fe, N. M.
G. F. Morrison		Reswell, N. M.
Foster Maxwell	U. S. Geological Survey	Reswell, N. M.
E. O. Ramsey	A. T. & S. F. Railway Company	Albuquerque, N. M.
E. C. Egan	A. T. & S. F. Railway Company	Albuquerque, N. M.
Marshall Rowley	Carper Drilling Company	Artesia, N. M.
John E. Cochran, Jr.	Maljamar Coop. Rep. Agreement	Artesia, N. M.
William J. Wright	Maljamar Coop. Rep. Agreement	Artesia, N. M.
Charles R. Allen	Continental Oil Company	Pecos City, Okla.
J. O. Seth	Petroleum Prod. Ref. & Pro. Co.	Santa Fe, N. M.
W. R. McBride	Petroleum Prod. Ref. & Pro. Co.	Santa Fe, N. M.
John M. Kelly	Independent Geologist	Reswell, N. M.
Clarence Hinkle	Harvey, Daw and Hinkle	Reswell, N. M.
Ray O. Yarbrough	Oil Conservation Commission	Santa Fe, N. M.
F. W. Hickman	Oil Conserv. Man Commission	Santa Fe, N. M.

Governor Miles:

Gentlemen, the Commission is in session, and the Secretary will proceed  
with the order of business.

Mr. Hinkle:

I am Clarence E. Hinkle of Harvey, Daw and Hinkle, representing the  
DeKalb Agricultural Association. This is an application by the DeKalb  
Agricultural Association for the approval of a unit agreement to be known  
as the Bitter Lake Unit Agreement. The proposed unit area covers approxi-  
mately 9,032.38 acres situated in Township 10 South, Ranges 25 and 26 East.  
All of the lands embraced in the proposed area are lands of the United  
States, with the exception of 130 acres in Section 2, Township 10S, Range  
25E, which is State land. The agreement has been executed by all of the  
owners of the leases and pending applications for leases, except the lands  
which are embraced in the so-called Bitter Lake Migratory Wildlife Refuge,  
and there is a question whether leases will be issued for those lands.  
The area has heretofore been designated by the Director of the U. S. Geol-  
ogical Survey upon the application of the several lease owners as suitable  
for unitization. Under the terms of the agreement the operator is given  
authority to carry on necessary operations to explore and develop the unit  
area. The agreement provides for a test well to be drilled to a depth of  
6,500 feet, unless gas or oil is found at a lesser depth. The proposed  
unit agreement follows substantially the unit agreements which have hereto-  
fore been approved by the Commission. That you may have before you the  
proposed unit area, here is a plat which has heretofore been filed with you.  
I might say that at this time the DeKalb Agricultural Association has al-  
ready started a well in Section 13, which is near the center of the proposed



unit area, and at the present time the wall is below 3,900 feet. The geological information upon which this unit was formed was done by Mr. John Kelly, and I would like to have him sworn as a witness.

Mr. John M. Kelly, after being first duly sworn, testified as follows:

Mr. Hinkle:

What is your name?

Mr. Kelly:

John M. Kelly.

Mr. Hinkle:

What is your profession?

Mr. Kelly:

I am a graduate engineer and geologist, and registered to practice in New Mexico.

Mr. Hinkle:

How long have you practiced?

Mr. Kelly:

Ten years.

Mr. Hinkle:

You were formerly the State Geologist?

Mr. Kelly:

That is right.

Mr. Hinkle:

You are familiar with the area involved in the proposed Bitter Lake Unit Agreement?

Mr. Kelly:

I am.

Mr. Hinkle:

Have you performed any work in connection with that Agreement?

Mr. Kelly:

Upon information furnished me by Mr. Whelan, who did the magnetometer work, I prepared a contour map of the area.

Mr. Hinkle:

I hand you herewith the applicant's Exhibit A, and ask you to state whether that is a duplicate of the map made with the application before the U. S. Geological Survey for the designation of the Unit Area.

Mr. Kelly:

It is.

Mr. Hinkle:

You are familiar with the designation which has been made, and the boundaries as shown by the plat attached to the agreement?

Mr. Kelly:

Yes.



Mr. Hinkle:

State whether in your opinion the area covers all or substantially all of the geological features.

Mr. Kelly:

I believe it covers all of the features as shown by the geological map and the area map.

Mr. Hinkle:

Are you familiar with the agreement?

Mr. Kelly:

Yes.

Mr. Hinkle:

State whether the operations under this agreement would have a tendency to promote the conservation of oil and gas and the prevention of waste.

Mr. Kelly:

I believe it would promote proper development in the area.

Governor Miles:

Anyone else want to be heard in this case? If not, the application is granted.

Mr. Livingston:

The next case is No. 77 in the matter of the application of the Magnolia Petroleum Company for an order of approval of the Unit Agreement for the development and operation of the Black Hills Anticline Unit Area within Townships 17 and 18 South, Ranges 19 and 20 East, N.M.P.M., containing 17,436.62 acres, more or less, Chavez County, New Mexico.

Mr. Hinkle:

I am Clarence E. Hinkle of Harvey, Dow and Hinkle, and an attorney for the applicant, the Magnolia Petroleum Company. This is the application of the Magnolia Petroleum Company for the approval of the proposed Bitter Lake Anticline Unit Agreement. The unit agreement which has been filed with the Commission contains a plat which shows the proposed unit area. The proposed unit area contains approximately 17,436.62 acres. All of the lands are lands of the United States, except certain lands aggregating 2,170.96 acres. The unit agreement has been signed by the owners of oil and gas leases covering all of the lands, except the owners of two leases, which are a very small portion of the total acreage. The area involved in the agreement was approved by the Director of the U. S. Geological Survey and the Secretary of the Interior as one proper for unitization. The agreement designates the Magnolia Petroleum Company as the unit operator, and under the terms of the unit is given power to carry on all work necessary for the exploration of the area. The operators agree to commence a well within six months after the approval, and drill the same to a depth of 7,000 feet, unless gas or oil is found at a lesser depth. The form follows substantially the same form as heretofore approved by this Commission and the Commissioner of Public Lands. Mr. Steve Hannifin, the District Land Man for Magnolia, is here, and I would like to have him testify.

Mr. S. P. Hannifin, after being first duly sworn, testified as follows:

Mr. Hinkle:

Please state your name.

Mr. Hannifin:

S. P. Hannifin.



Mr. Hinkle:

Where do you reside?

Mr. Hannifin:

Roswell, New Mexico.

Mr. Hinkle:

What is your official position?

Mr. Hannifin:

District Land Man for Magnolia Petroleum Company.

Mr. Hinkle:

How long have you been with the Magnolia Petroleum Company?

Mr. Hannifin:

20 years.

Mr. Hinkle:

Are you familiar with the so-called Bitter Lake Anticline Unit Agreement in Chaves County, New Mexico, which is the subject of the proposed unit agreement?

Mr. Hannifin:

Yes, sir.

Mr. Hinkle:

Do you know whether any geological investigation has been made of this area?

Mr. Hannifin:

Several years ago such an investigation was made by J. B. Hedley.

Mr. Hinkle:

Did Mr. Hedley make a report in connection with the report of the designation of this area before the U. S. Geological Survey?

Mr. Hannifin:

He did, yes.

Mr. Hinkle:

I hand you herewith the report of Mr. J. B. Hedley, marked Exhibit A, on the Bitter Lake Anticline, Chaves County, and ask you whether it is a duplicate of the report filed with the application.

Mr. Hannifin:

It is.

Mr. Hinkle:

Does that map show the geological structure involved?

Mr. Hannifin:

Yes.

Mr. Hinkle:

Do you know whether the unit area covers all of the structures, according to the plat?

Mr. Hannifin:

It does.



Mr. Hinkle:

Are you familiar with the terms of the unit agreement?

Mr. Henniflin:

Yes, sir.

Mr. Hinkle:

State whether in your opinion the operations under the proposed unit agreement, if a discovery is made, would tend to promote the conservation of oil and the prevention of waste.

Mr. Henniflin:

I believe it would. Yes, sir.

Governor Miles:

Anyone else want to be heard in this case? The application is granted. Next case.

Mr. Livingston:

The next case is No. 75 in the matter of the application of the Petroleum Products Refining and Producing Company for an order of approval of an irregular oil and gas well location in Section 36, T. 12N, R. 9E, Hoopeh Field, McKinley County, New Mexico, Well No. 42, to be located in the south-east-southwest-southwest quarter of said section, 1220 feet East of the center section line, 130 feet North of the South line.

Mr. Seth:

My name is J. O. Seth, and I appear for the Petroleum Products Refining and Producing Company. This is an application to drill this well that I marked on this plat. The field and the development began many years ago, and was drilled on a 10-acre spacing. The old wells were not so located as to be in the center of each 10-acre tract. The proposal of this location is to get 660 feet East of the well already drilled. The lease is a State lease, and nobody would be hurt by the location. I would like to have Mr. McBride sworn.

Mr. W. R. McBride, after being first duly sworn, testified as follows:

Mr. Seth:

Your name, please.

Mr. McBride:

W. R. McBride.

Mr. Seth:

You are an officer of the Petroleum Products Refining and Producing Company?

Mr. McBride:

Yes, sir.

Mr. Seth:

What is your position?

Mr. McBride:

Vice-President.

Mr. Seth:

You know the general location of these wells in the Hoopeh Dome, do you not?



Mr. McBride:

Yes.

Mr. Seth:

That development began many years ago?

Mr. McBride:

I think back in 1928 or 1929.

Mr. Seth:

This application today is to drill the well marked on this plat?

Mr. McBride:

That is well No. 48. The Roman numerals there are the numbers we anticipate drilling, but this is well No. 1 here.

Mr. Seth:

I would like to have this plat marked for attention.

(NOTE: The plat at this point was marked Exhibit A for the record).

Mr. Seth:

The location you seek for this well is merely to keep it at 660 feet?

Mr. McBride:

Yes, and to correct some of the previous locations and in drilling additional wells we can try to keep them all within the proper spacing. They will all be the same distance from each other. We may have to come in and ask for another irregular spacing if it is necessary.

Mr. Seth:

Are all the wells on the same State lease owned by your Company?

Mr. McBride:

Yes, sir.

Mr. Seth:

I believe that is all.

Governor Miles:

Anybody else want to be heard in this case? The application is granted.

Mr. Livingston:

The next case is No. 79. The petitioner, through his attorneys, Kilmer and Sanchez, has requested that the hearing date upon this petition be vacated and that said petition be set down for a hearing at some future time, owing to the fact that the petitioner, with other operators in the Pulcher Basin Gas Field, is endeavoring to formulate a spacing plan to present to the Commission.

The next case is No. 85 in the matter of the petition of Operators' Committee under Haljamar Cooperative Representing Agreement for amendment to Order No. 483, as amended by Order No. 993 of the Commission, to provide for the running of back allowable from the Haljamar Cooperative Representing area.



Mr. Cochran:

My name is John E. Cochran, Jr. I represent Maljean Cooperative Repressuring Agreement. This is a matter in which the Maljean Cooperative Repressuring Agreement asks that Order 485, as amended by Order 595 of this Commission to provide for the running of back allowable from the Maljean Cooperative Repressuring Agreement. Order 485 entered by the Commission in Case 36 on November 14, 1942 was the order which approved the Maljean Cooperative Repressuring Agreement and approved certain in-pit wells and provided for the distribution on allowable on in-pit wells to the other wells. Order 595 entered by the Commission on January 8, 1945 amended the original order and set up an allocation production plan for the area. Before that order was entered, and while the study was being made, it was agreed that in the interest of conservation at that time no back allowable would be allowed the area, and there was written on February 11, 1944 a letter by Mr. Kelly, then State Geologist, which provided that no back allowable be run from leases in the Maljean area. Since that time, however, the allocation plan approved has been so successful that the operators feel that it would not be detrimental to the properties to run some back allowable which occurred for the reasons I will tell you. During November Malco Refiner, Inc., who was a substantial crude buyer from the area had too much crude, and the Malco discontinued purchasing crude oil from a large number of leases in the area, and following that several operators had no pipe line connections, and a substantial back allowable accumulated by reason of having no outlet for the oil. As of June 1 there were approximately 20,000 barrels of back allowable which have not been run from certain leases within the area. This back allowable is in some instances unproduced, and in some cases has been produced and is in storage. All of the operators in the area feel that they should be allowed to run currently to the pipe line companies purchasing the oil a back allowable at a rate not to exceed the rate the Commission allowed the State generally. All operators of leases and wells in this area feel that the way this should be handled would be for individual operators to make application to the Operators' Committee, which is the manager of the Project, and designate the lease and the amount of back allowable that they feel should be run during a current month, which would not exceed the back allowable figure set for other parts of the State by the Commission. This would amount to probably a barrel a day per well, and in some instances three barrels a day per well, and where the oil is in storage a request would be made for permission to run this to the pipe line company, not to exceed ten barrels per day. After the applications have been made to the Operators' Committee by the operators, the operators feel that the Chairman of the Operators' Committee of the Maljean Cooperative Repressuring Agreement should petition the Commission, or its deputies, administratively for authority to run back allowable during the current month. The reason for suggesting the matter be handled this way is when an operator makes application for back allowable the Operators' Committee will have an opportunity to study the request, and if it is in the interest of conservation the Chairman of the Operators' Committee would file the application with the Commission or its deputy. Due to the fact that the back allowable had its origin about the first of December, the Maljean Repressuring Agreement asked that the Commission permit it to follow this procedure in requesting authority to run back allowable starting December 1, 1945. Mr. William J. Wright, Engineer for the Maljean Cooperative Repressuring Agreement is here, and if the members of the Commission would care to ask him any questions he may be sworn. Do you have any questions you want to ask him?

Governor Miles:

Yes, will you bring him forward?

Mr. William J. Wright, after being first duly sworn, testified as follows:

Mr. Cochran:

Will you state your name?

Mr. Wright:

William J. Wright.

Mr. Cochran:

Where do you live?



Mr. Wright:

Maljamar.

Mr. Cochran:

What is your occupation?

Mr. Wright:

Project engineer for the Maljamar Cooperative Repressuring Agreement.

Mr. Spurrier:

Mr. Wright, give us an approximation of what percent of the production of any one well would this additional production be; that is, what the back allowable would constitute.

Mr. Wright:

From a daily run it should not exceed 15% of daily allowable, which would be from 1 to 3 barrels per day.

Mr. Cochran:

Mr. Wright, in your opinion, if the method of making up back allowable, as is hereby outlined, is followed, would that constitute underground waste?

Mr. Wright:

Definitely not.

Mr. Livingston:

Back to what period of time is it desired that back allowable be permitted to run?

Mr. Wright:

December 1, 1945.

Governor Miles:

Anyone else want to be heard in this case? If not, the application is granted.

Mr. Livingston:

The next case is #1 in the matter of the petition of the Grayburg Oil Company of New Mexico, Operator of Grayburg Cooperative and Unit Agreement, for an order for transfer of allowable from in-put wells to other wells of same basic leases in the unit area of Grayburg Cooperative and Unit Agreement, Eddy County, New Mexico.

Mr. Miller:

I am Raymond Miller of the Grayburg Oil Company, Artesia. The Grayburg Oil Company is the operator of a unit agreement located on Government lands. In connection with this unit cooperative agreement we are operating a repressuring plant. The last several months we have converted two top allowable wells to in-pot wells situated in the NE 1/4 of Section 26, Township 17, Range 29, the well known as Grayburg-Koolay 9-B. The other well, Western Production Company-Koolay 12-C, is located in SE 1/4 Section 25, Township 17, Range 29. These wells were top allowable wells at the time they were put on as in-pot wells, and since then we have been losing that allowable, and we request this allowable be transferred to other wells situated on the same basic leases. The Koolay 9 basic lease covers the SE 1/4 Section 24, NE 1/4 Section 25, NE 1/4 Section 26, Township 17, Range 29E. The Western-Koolay 12 lease covers the NE 1/4 and the NW 1/4 of Section 13, SE 1/4 Section 24, all of Section 25, except the NE 1/4 and the W 1/2 of Section 26, all in Township 17, Range 29E. Mr. R. J. Hoard, Vice-President of the Grayburg Oil Company, is present, and I would like to have him heard.



Mr. R. J. Heard, after being first duly sworn, testified as follows:

Mr. Miller:

Your name is --

Mr. Heard:

R. J. Heard.

Mr. Miller:

Where do you reside?

Mr. Heard:

Artesia.

Mr. Miller:

Your position with the Grayburg Oil Company?

Mr. Heard:

Vice-President.

Mr. Miller:

Mr. Heard, you have been in charge of the drilling and production of these subject wells?

Mr. Heard:

Yes.

Mr. Miller:

Do you know that these wells are capable of producing top unit allowable at the time they were converted to injection wells?

Mr. Heard:

Yes.

Mr. Miller:

In your opinion, if the wells were reconverted to producing wells at this time, would they produce top unit allowable?

Mr. Heard:

Yes.

Mr. Miller:

Do you think this unit allowable could be produced from other wells on this same basic lease without waste?

Mr. Heard:

Yes.

Mr. Miller:

Is there any question you want to ask Mr. Heard?

Mr. Spurr:

Approximately how many wells do you intend to allocate this in-pet production to, Mr. Heard?

Mr. Heard:

Approximately 17 wells on one basic lease, and I think around 12 or 14



on the other.

Mr. Spurrer:

Then that would be about 2 or 3 barrels per day per well, would it not?

Mr. Beard:

Yes, sir.

Mr. Spurrer:

This would be something less than 10% of each well's production?

Mr. Beard:

Yes, sir.

Mr. Miller:

We are requesting the Commission to make up back allowances on these wells, beginning May 1, 1946; that is, on these two subject in-put wells. We are also requesting the Commission to reserve jurisdiction in this case, that they may act administratively in the case of corrections, etc.

Mr. Spurrer:

You mean by that you contemplate drilling more in-put wells?

Mr. Miller:

Yes, that is right. There are more wells being drilled at the present time on these leases, and it is our intention to convert these to in-put wells.

Governor Hiles:

Anyone else want to be heard in this case? If not, the petition is granted.

Mr. Livingston:

The next case is No. 82 in the matter of the application of I. K. Westbrock for an order of approval of an irregular oil and gas well location in ~~Section 22~~, Section 22, T. 22N, Range 11N, N.M.P.M., McKinley County, New Mexico for I. K. Westbrock-Santa Fe Pacific Railroad Company Well No. 1, which location is 194 feet South of the North line and 2411 feet West of the East line of said section. This well started off as a water well, and seems to be ending up as an oil well.

Mr. Idem:

My name is E. C. Idem, and I would like to have Mr. I. K. Westbrock and Mr. E. O. Henshaw sworn.

Mr. E. O. Henshaw, after being first duly sworn, testified as follows:

Mr. Idem:

Your name is E. O. Henshaw?

Mr. Henshaw:

Yes.

Mr. Idem:

You are connected with the Santa Fe Pacific Railroad Company?

Mr. Henshaw:

I am Land Commissioner at Albuquerque.



Mr. Idem:

You are familiar with this application of I. K. Westbrock?

Mr. Henshaw:

Yes.

Mr. Idem:

The Santa Fe Pacific Railroad Company is the owner of the land on which this well is located?

Mr. Henshaw:

Yes.

Mr. Idem:

State to the Commission Mr. Westbrock's activities with reference to this land, particularly with reference to grazing leases prior to the time he acquired the oil lease.

Mr. Henshaw:

Mr. Westbrock is a livestock operator in this part of McKinley County, and in connection with his livestock operations entered into a contract with a driller to drill him a deep water well, and when he got down a certain distance there was some showing of oil, and he immediately stopped his work on his water well and felt that there might be some advantage in attempting to get an oil well out of this prospect.

Mr. Idem:

You are familiar with the location of the well?

Mr. Henshaw:

It is in Section 22, Township 20 North, Range 11 West. It is in the SW $\frac{1}{4}$  of the NE $\frac{1}{4}$ .

Mr. Idem:

I believe as shown by the petition, it is 27 $\frac{1}{2}$  feet South of the quarter section line 40-acre subdivision line. Is that correct?

Mr. Henshaw:

That is about it. I think it is 27 $\frac{1}{2}$  feet South of the quarter line and 229 feet East of the West line of that 40-acre tract.

Mr. Idem:

Stated in another way, it is 159 $\frac{1}{2}$  feet South of the North line and 241 $\frac{1}{2}$  feet West of the East line?

Mr. Henshaw:

Yes, sir.

Mr. Idem:

Did the grazing lease Mr. Westbrock had prior to an oil showing in the water well embrace other lands than this?

Mr. Henshaw:

Yes, as I recall, it took in all oil holdings in that township.

Mr. Idem:

He still has the grazing lease?



Mr. Hammons:

He has a purchase contract for the purchase of the surface rights.

Mr. Idem:

After the showing you gave him an oil and gas lease on certain lands for the purpose of protecting him in drilling the well, further with the hope that he might get oil or gas?

Mr. Hammons:

Yes.

Mr. Idem:

It covers 160 acres surrounding this prospect?

Mr. Hammons:

Yes.

Mr. Idem:

Does your company own all of the acreage adjacent to this particular acreage?

Mr. Hammons:

We own immediately adjacent. Section 16 cornering to the Northwest is a school section. We own the others in the immediate vicinity.

Mr. Idem:

Generally speaking, how far is this from any other producing oil and gas well?

Mr. Hammons:

Approximately 15 or 18 miles Northwest of any present production.

Mr. Idem:

Do you know the depth of the water well?

Mr. Hammons:

Approximately 1100 feet.

Mr. Idem:

Do you know of any possible objection in permitting this well to be drilled in this location?

Mr. Hammons:

No.

Mr. Idem:

I think that is all.

Continued 10/1/22:

What is the approximate distance from this well to the corner of the school section you speak of?

Mr. Hammons:

About 2700 feet approximately to the Northwest corner of the school section.



Mr. Idens:

Mr. Westbrock, will you take the stand?

Mr. Westbrock, after being first duly sworn, testified as follows:

Mr. Idens:

Your name is I. K. Westbrock?

Mr. Westbrock:

Yes, sir.

Mr. Idens:

You are the petitioner in this matter?

Mr. Westbrock:

Yes, sir.

Mr. Idens:

Where do you live?

Mr. Westbrock:

Crowpoint.

Mr. Idens:

How long have you lived there?

Mr. Westbrock:

29 years.

Mr. Idens:

You are a rancher in that community?

Mr. Westbrock:

Yes, sir, I have been a rancher there 29 years.

Mr. Idens:

You have heard Mr. Hummer's testimony. Was it correct in all respects?

Mr. Westbrock:

Yes, sir.

Mr. Idens:

You might desire to continue the drilling of this well with the hope of getting oil and gas?

Mr. Westbrock:

Yes, I would like to prospect for it.

Mr. Idens:

It was begun as a water well?

Mr. Westbrock:

Absolutely. Near the center of this township.

Mr. Idens:

At what depth did you encounter this oil and gas showing?



Mr. Westbrook:

1092 feet.

Mr. Idem:

Is that where the well stands today?

Mr. Westbrook:

Yes, sir. There is quite a bit of oil comes off the water when you draw it.

Mr. Idem:

So far as you know, would it make a commercial well at this time?

Mr. Westbrook:

I do not know. There is quite a little showing, and the driller states it may be a commercial well.

Mr. Idem:

I believe that is all, unless the Commission has some questions.

Mr. Spurr:

One question, Mr. Westbrook. You have a lease. How do you have a plugging bond?

Mr. Westbrook:

The bond is accompanying my petition here.

Mr. Livingston:

Mr. Westbrook has on file a \$2500 corporate surety bond to go to a depth of to exceed 1500 feet, but the bond has not been accepted until the Commission grants its order.

Mr. Idem:

Based on that showing, we ask that the petition be granted.

Governor Miles:

Anyone else want to be heard on this case? If not, the application is granted. Meeting dismissed.

I certify that the above is a transcript of the proceedings in this matter as taken from my shorthand notes.

*Mary E. Martin*  
Mary E. Martin, Stenographer



EXECUTIVE COMMITTEE

EMERY CARPER  
F. M. JACOBSON  
BARNEY COCKBURN  
J. B. STEELE  
GUS W. ARNOLD

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

EMERY CARPER  
CHAIRMAN

F. M. JACOBSON  
SECRETARY

ARTESIA, NEW MEXICO  
May 24, 1946

Mr. Carl B. Livingston,  
Chief Clerk and Legal Advisor  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Mr. Livingston:

We acknowledge receipt of your letter of May 20, 1946  
regarding:

Case No. 80, Petition of Operators' Committee  
under Maljamar Cooperative Repressuring Agree-  
ment for amendment to Order No. 485 to provide  
for running of back allowable.

We appreciate your having the hearing for this case  
set at such an early date, June 7, 1946.

Yours very truly,

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

By W. J. Wright  
Wm. J. Wright, Superintendent

WJW/mbt

cc:  
Mr. F. D. Baker  
Kewanee Oil Co.  
Tulsa, Oklahoma



State of New Mexico,  
County of Lea

Robert L Summers

Publisher.

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a

period of

one issue ..... weeks.

beginning with the issue dated

May 22nd, 1946

and ending with the issue dated .....

\_\_\_\_\_, 19\_\_\_\_  
Robert L. Summerin  
Publisher.

Sworn and subscribed to before me

this 22nd day of \_\_\_\_\_

May 19 40

May 19 46  
Blanche Younger  
Notary Public

My commission expires

June 25, 1946  
(Seal)

**NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
OIL CONSERVATION  
COMMISSION**

The Oil Conservation Commission, as provided by law, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico at 10:00 A. M., June 7, 1940:

In the matter of the petition of the Citizens' Committee for the Registration of Goddard's Non-Interlocking Agreement for submission to Order No. 12, as amended by Order No. 12, of the Commission, to provide for the removal of such unfavorable items

Given under the seal of said  
Commissioner at Santa Fe, New  
Mexico on May 25, 1946.

BY: E. E. Spurr, Secretary

**This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.**



THE HOBBS DAILY NEWS-SUN  
THURSDAY, MAY 23, 1946

# LEGAL NOTICES

## MAY 23 NOTICE OF PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The Oil Conservation Commission, as provided by law, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico at 10:00 A. M., June 7, 1946:

Case 75: In the matter of the application of the Dekalb Agricultural Association, Inc. for an order of approval of the Unit Agreement for the development and operation of the Bitter Lake Unit Area within

Ranges 20 and 20 East, N.M.P.M. containing 9,032.38 acres, more or less, Chaves County, New Mexico.

Case 77: In the matter of the application of the Magnolia Petroleum Company for an order of approval of the Unit Agreement for the development and operation of the Black Hills Anticline Unit Area within Townships 17 and 18 South, Ranges 19 and 20 East, N.M.P.M. containing 17,326.62 acres, more or less, Chaves County, New Mexico.

Case 78: In the matter of the application of the Petroleum Products Refining and Producing Company for an order of approval of an irregular oil and gas well location in Section 36, T. 18N., R. 2W., Hornah Field, Garfield County, New Mexico.

Mexico, Well No. 48 to be located in the Southeast Southwest Southeast quarter of said section, 1230 feet East of the center section line, 330 feet North of the South line.

Case 79: In the matter of the application of the Southern Union Production Company for an order providing for 160-acre spacing for gas wells in the Fletcher Basin Field, consisting of Sections 34 and 35, T. 30N., R. 12W., Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13, T. 28N., R. 12W., Sections 1, 17, 18, 19, 20 and 21, T. 28N., R. 11W., N.M.P.M., San Juan County, New Mexico.

Case 80: In the matter of the petition of Operators' Committee under Maljamar Cooperative Repressuring Agreement for amendment to Order No. 485, as amended by Order No. 595 of the Commission, to provide for the running of back allowable from the Maljamar Cooperative Repressuring Area.

Case 81: In the matter of the petition of the Grayburg Oil Company of New Mexico Operator of Grayburg Cooperative and Unit Agreement for an order for transfer of allowable from in-put wells to other wells of same basic leases in the unit area of Grayburg Cooperative and Unit Agreement, Eddy County, New Mexico.

Given under the seal of said Commission at Santa Fe, New Mexico on May 20, 1946.

OIL CONSERVATION

COMMISSIONER

(SEAL)

By: R. E. Spurr, Secretary.

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**AFFIDAVIT OF PUBLICATION**

State of New Mexico,  
County of Lea

I, **Robert L Summers**

**Publisher**

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a

period of

**one issue** weeks.

beginning with the issue dated

**May 23rd**, 1946.

and ending with the issue dated

**Robert L. Summers**  
Publisher.

Sworn and subscribed to before me

this **23rd** day of

**May**, 19**46**  
**Blanche Granger**  
Notary Public

My commission expires

**June 25**, 19**46**  
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

**May 23**  
**NOTICE OF PUBLICATION**  
**STATE OF NEW MEXICO**  
**OIL CONSERVATION**  
**COMMISSION**

The Oil Conservation Commission, as provided by law, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico at 10:00 A. M., June 7, 1946:

**Case 76:**  
In the matter of the application of the Hobbs Agricultural Association, Inc. for an order of approval of the Unit Agreement for the development and operation of the Bitter Lake Unit Area within T. 10S, Ranges 28 and 26, East, N.M.P.M. containing 9,032.38 acres, more or less, Chaves County, New Mexico.

**Case 77:**  
In the matter of the application of the Marnolia Petroleum Company for an order of approval of the Unit Agreement for the development and operation of the Black Hills Anticline Unit Area within Townships 17 and 18 South, Ranges 19 and 20 East, N.M.P.M. containing 17,526.62 acres, more or less, Chaves County, New Mexico.

**Case 78:**  
In the matter of the application of the Petroleum Products Refining and Producing Company for an order of approval of an irregular oil and gas well location in Section 36, T. 18N, R. 9W, Hospital Field, McKinley County, New

Mexico, Well No. 48 is located in the Southeast Quarter of said Section 1120 feet East of the center section line, 330 feet North of the South line.

**Case 79:**  
In the matter of the application of the Hobbs Oil Company for an order of approval of the Unit Agreement for the development and operation of the Hobbs Unit Area within T. 10S, Ranges 28 and 26, East, N.M.P.M. containing 9,032.38 acres, more or less, Chaves County, New Mexico.

**Case 80:**  
In the matter of the application of the Hobbs Oil Company for an order of approval of the Unit Agreement for the development and operation of the Hobbs Unit Area within T. 10S, Ranges 28 and 26, East, N.M.P.M. containing 9,032.38 acres, more or less, Chaves County, New Mexico.

**Case 81:**  
In the matter of the application of the Grayburg Oil Company for an order of approval of the Unit Agreement for the development and operation of the Grayburg Unit Area within T. 10S, Ranges 28 and 26, East, N.M.P.M. containing 9,032.38 acres, more or less, Chaves County, New Mexico.

Given under the seal of said Commission at Santa Fe, New Mexico on May 23, 1946.

**COMMISSION**

(SEAL)  
By:  
**E. R. Spurrier, Secretary.**



NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

The Oil Conservation Commission, as provided by law, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico at 10:00 A. M., June 7, 1946:

Case 80.

In the matter of the petition of Operators' Committee under Maljamar Cooperative Repressuring Agreement for amendment to Order No. 485, as amended by Order No. 595, of the Commission, to provide for the running of back allowable from the Maljamar Cooperative Repressuring Area.

Given under the seal of said Commission at Santa Fe, New Mexico on May 20, 1946.

OIL CONSERVATION COMMISSION

By:

*R. R. Spurrier*

R. R. Spurrier, Secretary

SEAL



STATE BUREAU OF MINES & MINERAL RESOURCES

Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

May 20, 1946

Mr. Emory Carper, Chairman  
Maljamar Cooperative Repressuring Agreement  
Artesia, New Mexico

Dear Mr. Carper:

Re: Case No. 80, Petition of Operators' Committee  
under Maljamar Cooperative Repressuring Agree-  
ment for amendment to Order No. 485 to provide  
for ~~running~~ of back allowable.

The above-captioned case has been set for hearing at Santa  
Fe, New Mexico on June 7, 1946 at 10:00 A. M.

Will you please acknowledge receipt of this notice?

Very truly yours,

Chief Clerk and Legal Adviser

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cc: Clarence E. Hinkle

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STATE BUREAU OF MINES & MINERAL RESOURCES

Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

May 20, 1946

Mr. William J. Wright, Superintendent  
Paljamar Cooperative Representing Agreement  
Artesia, New Mexico

Dear Bill:

Re: Case No. 80, Petition of Operators' Committee  
under Paljamar Cooperative Representing Agree-  
ment for amendment to Order No. 485 to provide  
for running of back allowable.

The above-captioned case has been set for hearing at Santa  
Fe, New Mexico on June 7, 1946 at 10:00 A. M.

Will you please acknowledge receipt of this notice?

With kindest personal regards.

Very truly yours,

Chief Clerk and Legal Advisor

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STATE BUREAU OF MINES & MINERAL RESOURCES  
Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

May 20, 1946

AIR MAIL - SPECIAL DELIVERY

Hobbs Daily News-Sun  
Hobbs, New Mexico

Gentlemen:

Re: Notice of Publication - Case No. 80.

Please publish the enclosed notice once, immediately.  
Please proof-read the notice carefully and send a copy  
of the paper carrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND PUBLISHER'S  
AFFIDAVIT.

For payment please submit statement in duplicate, accompanied  
by voucher executed in duplicate. The vouchers must be signed  
by a notary in the space provided on the back of the voucher.  
The necessary blanks are enclosed.

Very truly yours,

Chief Clerk and Legal Adviser

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STATE BUREAU OF MINES & MINERAL RESOURCES

Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

May 20, 1946

The Santa Fe New Mexican  
Santa Fe, New Mexico

Gentlemen:

Re: Notice of Publication - Case Nos. 76, 77,  
78, 79, 80 and 81.

Please publish the enclosed notice once, immediately. Please  
proof-read the notice carefully and send a copy of the paper  
carrying such notice.

UPON COMPLETION OF THIS TRANSACTION, PLEASE SEND THE FOLLOWING  
AFFIDAVIT.

For payment please submit statement in duplicate, accompanied  
by voucher executed in duplicate. The vouchers must be signed  
by a notary in the space provided on the back of the voucher.  
The necessary blanks are enclosed.

Very truly yours,

Chief Clerk and Legal Adviser

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EXECUTIVE COMMITTEE  
EMERY CARPER  
F. M. JACOBSON  
BARNEY COCKBURN  
J. B. STEELE  
GUS W. ARNOLD

**MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT**

ARTESIA, NEW MEXICO

EMERY CARPER  
CHAIRMAN  
F. M. JACOBSON  
SECRETARY

May 13, 1946

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

Gentlemen:

Enclosed herewith in triplicate is  
Petition of Operators' Committee under Maljamar  
Cooperative Repressuring Agreement for Amendment  
to Order No. 485, as Amended by Order No. 595 of  
The Commission, to Provide for the Running of  
Back Allowable from the Maljamar Cooperative  
Repressuring Area.

We would appreciate having this matter  
set down for hearing at an early date.

Yours very truly

OPERATORS' COMMITTEE, ACTING  
UNDER MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

By

*Emery Carper*  
Chairman



BEFORE THE OIL CONSERVATION COMMISSION OF  
THE STATE OF NEW MEXICO

TO THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO:

PETITION OF "OPERATORS' COMMITTEE UNDER  
MALJAMAR COOPERATIVE REPRESSURING AGREEMENT  
FOR AMENDMENT TO ORDER NO. 485, AS AMENDED  
BY ORDER NO. 595 OF THE COMMISSION, TO PRO-  
VIDE FOR THE RUNNING OF BACK ALLOWABLE FROM  
THE MALJAMAR COOPERATIVE REPRESSURING AREA.

Comes now the Operators' Committee, acting under  
and pursuant to the Maljamar Cooperative Repressuring Agree-  
ment and respectfully shows:

1. That a copy of the Agreement dated August 5,  
1941 forming the Maljamar Cooperative Repressuring Agreement  
has heretofore been filed with the Oil Conservation Commis-  
sion of the State of New Mexico and for the full particulars  
thereof and for all other purposes reference is hereby made to  
the copy of said Agreement on file in the Office of the Oil  
Conservation Commission of the State of New Mexico.

2. That Order No. 485, as amended by Order No.  
595 of the Commission, among other things, provides that  
no back allowable shall be run from the committed area with-  
in the Maljamar Cooperative Repressuring Area unless express-  
ly authorized by the Oil Conservation Commission.

3. That in letter dated February 11, 1944, from  
John M. Kelly, Director of the New Mexico Oil Conservation  
Commission, addressed to Mr. Glenn Staley, it was provided,



among other things, that wells in the Maljamar Field were not to be allowed to run back allowable. That since this directive was promulgated a substantial back allowable has accumulated for the leases and wells committed to the Maljamar Cooperative Repressuring Agreement. That such accumulation of back allowable was caused principally by Malco Refineries, Inc., effective 7:00 A. M. December 1st, 1945, discontinuing to purchase crude oil from certain leases in the area.

4. That all operators of leases and wells in the Committed area of the Maljamar Cooperative Repressuring Agreement agree that said leases and wells should be allowed to run to pipe line companies purchasing crude oil in the area, back allowable oil at a rate per well, per day not to exceed the rate fixed by the Oil Conservation Commission for other fields in the State of New Mexico.

5. That all operators of leases or wells in the committed area of the Maljamar Cooperative Repressuring Agreement agree that Order No. 495, as amended by Order No. 595, of the Commission, should be further amended by the Oil Conservation Commission to provide that only the current allowable for any given month shall be run by the pipe line companies purchasing crude oil in said area; provided, however, that any operator of leases committed to the Maljamar Repressuring Agreement, desiring to run back allowable oil from leases and wells in the committed area, shall be permitted to make application to the Operators' Committee of the Maljamar Cooperative Repressuring Agreement to run such back allowable; and that the Chairman of the Operators' Committee of the Maljamar Cooperative Repressuring Agreement



shall be authorized and empowered to petition the Commission or its deputies administratively for authorization to run such back allowable during the following calendar month at a rate per well, per day not to exceed the rate fixed by the Oil Conservation Commission for other fields in the State of New Mexico.

WHEREFORE, the Operators' Committee under the Maljamar Cooperative Repressuring Agreement hereby respectfully petitions the Oil Conservation Commission of the State of New Mexico to call a hearing as provided by law and the rules and regulations of the Commission for the purpose of amending Order No. 485, as amended by Order No. 595 of the Commission, to provide for the running of back allowable from wells and leases within the committed area of the Maljamar Cooperative Repressuring Agreement as hereinabove set forth.

Respectfully submitted

OPERATORS' COMMITTEE, ACT-  
ING UNDER MALJAMAR COOPERA-  
TIVE REPRESSURING AGREEMENT

By:

*Emery Casper*  
Chairman



STATE OF NEW MEXICO)  
COUNTY OF EDDY ) SS

EMERY CARPER, being first duly sworn upon his oath states: That he is the Chairman of the Operators' Committee, acting under and pursuant to the Maljamar Cooperative Representing Agreement of August 5, 1941, and has been duly authorized by said Committee to execute the above and foregoing petition for and on behalf of said Committee, and that he has read said petition and to the best of his knowledge and belief all of the statements therein contained are true and correct.

Emery Carper  
Emery Carper

SUBSCRIBED AND SWORN TO BEFORE ME this 13<sup>th</sup> day  
of May, 1946.

Terena Boehring  
Notary Public

My Commission expires:

April 21, 1948



STATE BUREAU OF MINES & MINERAL RESOURCES

Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

April 11, 1946

Mr. W. J. Wright, Superintendent  
Maljamar Cooperative Repressuring Agreement  
Artesia, New Mexico

Dear Bill:

Re: Maljamar Cooperative Repressuring Agreement --  
Petition for amendment to Order No. 485, as  
amended by Order No. 595.

In reply to your letter of April 9, my letter of April 8 and  
yours just referred to evidently crossed.

You will note in the last paragraph of my letter of April 8  
I made comment to the effect that your petition, insofar as  
I can discern, is unmistakably clear.

With kindest personal regards.

Very truly yours,

Chief Clerk and Legal Adviser

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EXECUTIVE COMMITTEE

EMERY CARPER  
F. M. JACOBSON  
BARNEY COCKBURN  
J. B. STEELE  
GUS W. ARNOLD

EMERY CARPER  
CHAIRMAN

F. M. JACOBSON  
SECRETARY

**MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT**

ARTESIA, NEW MEXICO

April 9, 1946

Mr. Carl Livingston  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Mr. Livingston;

Enclosed you will find a copy of our petition to the Commission and a copy of our letter to Mr. Spurrier, asking him to criticise this petition.

As we heard Mr. Spurrier was not in Santa Fe at the present time, would you give us your comments upon our tentative petition to secure back allowable, before the date scheduled for the next Operators' Committee Meeting around the first of May.

Very truly yours,

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

BY Wm. Wright  
W. J. Wright, Superintendent

WJW/mbt  
Encl.



April 5  
1946

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

Dear Mr. Spurrier;

We are enclosing a tentative petition to the Commission in an effort to properly secure back allowable of the Maljamar Cooperative Repressuring Area.

Mr. Livingston assisted us on our allocation petition, which we indeed did appreciate, and we are now attempting to submit this petition to the Commission without encountering similar difficulties. If you and Mr. Livingston could possibly find time to offer your criticism on this amendment, prior to it being submitted to the Commission, it would indeed be appreciated.

This tentative copy has now been submitted to the members of our Operating Committee, and will be thoroughly discussed at our next Operators' Committee Meeting which will be held the first or second of May.

With kindest personal regards.

Very truly yours,

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

BY \_\_\_\_\_

W. J. Wright, Superintendent

WJW/nbt



STATE BUREAU OF MINES & MINERAL RESOURCES

Box 871

*Santa Fe, New Mexico*

JOHN M. KELLY  
DIRECTOR

April 8, 1946

Mr. W. J. Wright, Superintendent  
Maljamar Cooperative Repressuring Agreement  
Artesia, New Mexico

Dear Bill:

Re: Maljamar Cooperative Repressuring Agree-  
ment — Petition for amendment to Order  
No. 485, as amended by Order No. 595.

This is to acknowledge receipt of your letter of April  
5 to Captain R. R. Spurrier, enclosing petition in the  
above-captioned matter.

Your letter and the petition will be brought to Captain  
Spurrier's attention upon his return next week from the  
Interstate Compact meeting.

Insofar as I can discern, the petition is unmistakably  
clear, and upon a hearing will perhaps require only an  
additional paragraph to the amended Order.

With kindest personal regards.

Very truly yours,

Chief Clerk and Legal Adviser

CHE:smm

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EXECUTIVE COMMITTEE

EMERY CARPER  
F. M. JACOBSON  
BARNEY COCKBURN  
J. B. STEELE  
GUS W. ARNOLD

EMERY CARPER  
CHAIRMAN

F. M. JACOBSON  
SECRETARY

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

ARTESIA, NEW MEXICO

April 5  
1946

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

Dear Mr. Spurrier;

We are enclosing a tentative petition to the Commission in an effort to properly secure back allowable of the Maljamar Cooperative Repressuring Area.

Mr. Livingston assisted us on our allocation petition, which we indeed did appreciate, and we are now attempting to submit this petition to the Commission without encountering similar difficulties. If you and Mr. Livingston could possibly find time to offer your criticism on this amendment, prior to it being submitted to the Commission, it would indeed be appreciated.

This tentative copy has now been submitted to the members of our Operating Committee, and will be thoroughly discussed at our next Operators' Committee Meeting which will be held the first or second of May.

With kindest personal regards.

Very truly yours,

MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

BY W. J. Wright  
W. J. Wright, Superintendent

WJW/mbt



In the matter of the application of the Operators' Committee  
of the Hailmar Cooperative Reproaching Agreement for amend-  
ment to Order No. 485, as amended by Order No. 595 of the  
Commission, to provide for the running of back allowable from  
the Hailmar Cooperative Reproaching Area, Los County, New  
Mexico.



BEFORE THE OIL CONSERVATION COMMISSION OF  
THE STATE OF NEW MEXICO

TO THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO:

PETITION OF OPERATORS' COMMITTEE UNDER  
MALJAMAR COOPERATIVE REPRESSURING AGREEMENT  
FOR AMENDMENT TO ORDER NO. 485, AS AMENDED  
BY ORDER NO. 595 OF THE COMMISSION, TO PRO-  
VIDE FOR THE RUNNING OF BACK ALLOWABLE FROM  
THE MALJAMAR COOPERATIVE REPRESSURING AREA.

Comes now the Operators' Committee, acting under  
and pursuant to the Maljamar Cooperative Repressuring Agree-  
ment and respectfully shows:

1. That a copy of the Agreement dated August 5,  
1941 forming the Maljamar Cooperative Repressuring Agreement  
has heretofore been filed with the Oil Conservation Commis-  
sion of the State of New Mexico and for the full particulars  
thereof and for all other purposes reference is hereby made  
to the copy of said Agreement on file in the Office of the  
Oil Conservation Commission of the State of New Mexico.

2. That Order No. 485, as amended by Order No.  
595 of the Commission, among other things, provides that  
no back allowable shall be run from the committed area with-  
in the Maljamar Cooperative Repressuring Area unless express-  
ly authorized by the Oil Conservation Commission.

3. That in letter dated February 11, 1944, from  
John M. Kelly, Director of the New Mexico Oil Conservation  
Commission, addressed to Mr. Glenn Staley, it was provided,



among other things, that wells in the Maljamar Field were not to be allowed to run back allowable. That since this directive was promulgated a substantial back allowable has accumulated for the leases and wells committed to the Maljamar Cooperative Repressuring Agreement. That such accumulation of back allowable was caused principally by Malco Refineries, Inc., effective 7:00 A. M. December 1st, 1945, discontinuing to purchase crude oil from certain leases in the area.

4. That all operators of leases and wells in the committed area of the Maljamar Cooperative Repressuring Agreement agree that said leases and wells should be allowed to run to pipe line companies purchasing crude oil in the area, back allowable oil at a rate per well, per day not to exceed the rate fixed by the Oil Conservation Commission for other fields in the State of New Mexico.

5. That all operators of leases or wells in the committed area of the Maljamar Cooperative Repressuring Agreement agree that Order No. 495, as amended by Order No. 595, of the Commission, should be further amended by the Oil Conservation Commission to provide that only the current allowable for any given month shall be run by the pipe line companies purchasing crude oil in said area; provided, however, that any operator of leases committed to the Maljamar Repressuring Agreement, desiring to run back allowable oil from leases and wells in the committed area, shall be permitted to make application to the Operators' Committee of the Maljamar Cooperative Repressuring Agreement to run such back allowable; and that the Chairman of the Operators' Committee of the Maljamar Cooperative Repressuring Agreement



shall be authorized and empowered to petition the Commission or its deputies administratively for authorization to run such back allowable during the following calendar month at a rate per well, per day not to exceed the rate fixed by the Oil Conservation Commission for other fields in the State of New Mexico.

WHEREFORE, the Operators' Committee under the Maljamar Cooperative Repressuring Agreement hereby respectfully petitions the Oil Conservation Commission of the State of New Mexico to call a hearing as provided by law and the rules and regulations of the Commission for the purpose of amending Order No. 485, as amended by Order No. 595 of the Commission, to provide for the running of back allowable from wells and leases within the committed area of the Maljamar Cooperative Repressuring Agreement as hereinabove set forth.

Respectfully submitted

OPERATORS' COMMITTEE, ACTING  
UNDER MALJAMAR COOPERATIVE  
REPRESSURING AGREEMENT

BY: \_\_\_\_\_

Chairman



STATE OF NEW MEXICO )  
COUNTY OF EDDY ) ss.

EMERY CARPER, being first duly sworn upon his oath states: That he is the Chairman of the Operators' Committee, acting under and pursuant to the Maljamar Cooperative Representing Agreement of August 5, 1941, and has been duly authorized by said Committee to execute the above and foregoing petition for and on behalf of said Committee, and that he has read said petition and to the best of his knowledge and belief all of the statements therein contained are true and correct.

\_\_\_\_\_  
Emery Carper

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day  
of \_\_\_\_\_, 1946.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_



(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office *Las Cruces*

Lease No. **029405-B**

Unit **K**

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF REDRILLING OR REPAIR.....
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....
NOTICE OF INTENTION TO PULL OR ALTER Casing.....	SUPPLEMENTARY WELL HISTORY.....
NOTICE OF INTENTION TO ABANDON WELL.....	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

**Artesia, New Mexico, Jan. 5**, 19**50**

**Mr. Mitchell B**

Well No. **IP 5** is located **2615** ft. from **S** line and **2610** ft. from **W** line of sec. **20**

**NE 1/4 Sec. 20**

**17S**

**72E**

**N.H.P.M.**

(1/4 Sec. and Sec. No.)

(Twp.)

(Range)

(Meridian)

**Malpais**

**100**

**New Mexico**

(Field)

(County or Subdivision)

(State or Territory)

The elevation of the derrick floor above sea level is **3997** ft.

DETAILS OF WORK

This is a Repressuring Gas Injection well. It was completed Nov. 27, 1948 to total depth of 4030'. A tubing packer was set between the 6th and 7th zones at 3769', and injection of gas both above and below the packer was started Jan. 20, 1949. The well is cased with 7" OD 20# J-55 Seamless steel casing cemented with 250 sacks of cement at 3620'.

Recently the well showed evidence of casing trouble. A temperature survey was made which showed evidence of a casing leak between 725' and 750'.

As the hole will not stay full of oil due to the formation taking fluid, it is planned to set a calseal bridge in the casing a short distance above the shoe, and an other bridge at approximately 850'. The casing will then be perforated a short distance below the casing leak and repairs made by squeezing cement through the perforations in one or more stages until a complete shut-off is obtained.

Title **WATER RIGHTS**



**(SUBMIT IN TRIPLICATE)**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**Land Office**

**Lease No.**

Unit

## SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF REDRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PUMP OR ALTER CASING	
NOTICE OF INTENTION TO PLUG OR ABANDON WELL	

CLASSIFY ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA

1. The first step in the process of the investigation is the identification of the problem. This is done by the investigator who is responsible for the investigation. The investigator will identify the problem and then will determine the scope of the investigation. The investigator will then determine the objectives of the investigation and will then determine the methods of the investigation. The investigator will then determine the results of the investigation and will then determine the conclusions of the investigation. The investigator will then determine the recommendations of the investigation and will then determine the actions of the investigation. The investigator will then determine the follow-up of the investigation and will then determine the final report of the investigation.

[illegible][illegible]

**I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.**

Company **NUFFALO OIL COMPANY**

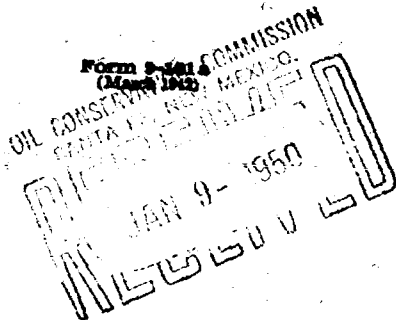
Address **203 GARDEN BLDG.**

DATE: 11/11/54 TIME: 11:00 AM

**By**

Title **W. 00 3700**





Budget Bureau No. 42-8288.1  
Approval expires 11-30-49.

(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office Las Cruces

Lease No. 058775-A

Unit X

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF REDRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....	<u>X</u>
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Grace Mitchell

Artesia, New Mexico, Jan. 6, 1950

Well No. A-1 is located 1980 ft. from NE line and 1650 ft. from W line of sec. 5

NE 1/4 Sec. 5  
(4 Sec. and Sec. No.)

17E  
(Twp.)

32E  
(Range)

N.M.P.M.  
(Meridian)

North Maljamar  
(Field)

Lee  
(County or Subdivision)

New Mexico  
(State or Territory)

The elevation of the derrick floor above sea level is 4078 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

In accordance with plans as outlined in phone conversation with Mr. Frost on Dec. 31, 1949, this well has been abandoned as follows: Hole was mudded and an attempt was made to pull 7" casing landed at 3221'. Pipe was parted and pulled, leaving 2 joints in hole. A 15-cask cement plug was then spotted at 2830' and another 15-cask cement plug at 1000' to 950'. The 8-5/8" casing landed at 896' was then parted and pulled, leaving 3 joints in hole. All of the 10-3/4" casing which was set at 504' was pulled. A 10' plug of cement was placed at the surface, completing plugging.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company BUFFALO OIL COMPANY

Address 302 CARPER BLDG.

ARTESIA, NEW MEXICO

By A. G. Lewis

Title Vice President