

CASE 3203: Appli. of SCHERMERHORN
OIL CORP. for non-std. location
and non-standard gas pro. unit.

copy
for
Schmidt

1-11-67
Schmidt

CASE NO.

3203

Application,

TRANSCRIPTS,

SMALL Exhibits

ETC.

State of New Mexico
Oil Conservation Commission



P. O. BOX 2088
SANTA FE

OTHER _____

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. 3203
Order No. R-2880

APPLICATION OF SCHERMERHORN OIL CORPORATION
FOR A NON-STANDARD LOCATION AND A NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 10, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 25th day of March, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

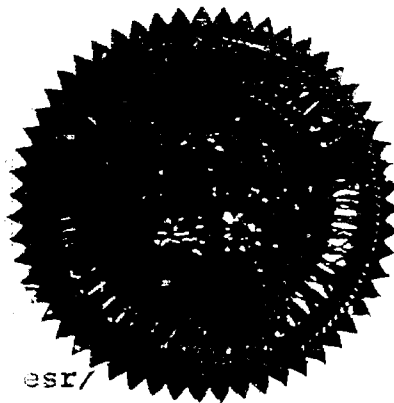
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3203 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER

LAW OFFICES
HINKLE, BONDURANT & CHRISTY
HINKLE BUILDING
ROSWELL, NEW MEXICO

OF COUNSEL MIRIAM M. DOW
TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

March 9, 1965

New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

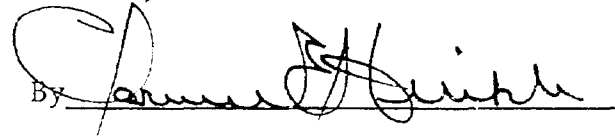
Re: OCC Case No. 3203
Examiner's docket March 10, 1965

Gentlemen:

We have been representing Schermerhorn Oil Corporation in connection with its application for a non-standard location and a non-standard gas proration unit in Lea County, which is Case No. 3203 on the examiner's docket for March 10. Applicant by its application sought the approval of an 80 acre non-standard gas proration unit comprising the N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 5, T. 19 S., R. 37 E. in the Eumont Gas Pool to be dedicated to the Linam "G" well No. 1. We have just been advised by Schermerhorn Oil Corporation that they completed a test last week of the well and they have concluded that it is not a well in paying quantities and immediate steps will be taken to plug the well. There has been no production from the well. Due to this situation, Schermerhorn would like to have this case dismissed.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By 

CEH:cs

CONSULTING PETROLEUM ENGINEER

DIAL
OFFICE EX. 3-9804
RES. EX. 3-5770

L. O. Storm

209 TURNER DRIVE

Hobbs, New Mexico

March 3, 1965

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.,
Secretary & Director

Re: Case 3203
Docket No. 7-65

Dear Mr. Porter:

Further to our telephone conversation of March 1, please consider this letter official confirmation that Schermerhorn Oil Corporation respectfully requests dismissal without prejudice the captioned case scheduled for Examiner Hearing March 10, 1965.

As the record reflects, Case 3203 relates to the Application of Schermerhorn Oil Corporation for a non-standard location and a non-standard gas proration unit for its Linam G Well No. 1 located in Section 5 of Township 19 South, Range 37 East in Lea County, New Mexico.

Respectfully yours,

L. O. Storm

L. O. Storm, P. E., for
Schermerhorn Oil Corporation

cc: Mr. Frank M. Hamner
Schermerhorn Oil Corporation
P. O. Box 287
Tulsa 1, Oklahoma

Oil Conservation Commission
Hobbs, New Mexico

Docket No. 7-65

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 10, 1965

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 2764: (Reopened and continued from the February 10, 1965 Examiner Hearing)
In the matter of Case No. 2764 being reopened pursuant to the provisions of Order No. R-2439, which order established temporary 640-acre spacing units for the West Jal-Strawn Gas Pool, Lea County, New Mexico, for a period of two years. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 3203: (Continued from the February 10, 1965 Examiner Hearing)
Application of Schermerhorn Oil Corporation for a non-standard location and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the N/2 NE/4 of Section 5, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Linam G Well No. 1 at a non-standard location 1025 feet from the North line and 1953 feet from the East line of said Section 5.

CASE 3214: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Teague-Simpson Pool by the injection of water into the Simpson formation through two injection wells located in Units B and G of Section 34, Township 23 South, Range 37 East, Lea County, New Mexico.

CASE 3215: Application of Gulf Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Moscal Wash Unit Area comprising 21,446 acres, more or less, of Federal, State and Fee lands in Townships 25 and 26 South, Ranges 22 and 23 East, Eddy County, New Mexico.

CASE 3216: Application of Gulf Oil Corporation for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the expansion of its West Pearl Queen Unit Waterflood Project, Pearl Queen Pool, Lea County, New Mexico, to include the NW/4 of Section 28, Township 19 South, Range 35 East; applicant further seeks authority to convert two additional wells to water injection, said wells being located in Units D and E of said Section 28.

CASE 3217: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Sutton, dba Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Stanolind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 35, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.

- 2 -

MARCH 10, 1965 EXAMINER HEARING

CASE 3218: Application of Newmont Oil Company for a non-standard location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Fidel Well No. 5 as a water injection well to inject water into the Lower Grayburg and Upper San Andres formations in its East Square Lake Waterflood Project, at a non-standard location 50 feet from the North line and 50 feet from the East line of Section 29, Township 16 South, Range 31 East, Eddy County, New Mexico.

CASE 3219: (Continued to the March 24, 1965 Examiner Hearing)
Application of Humble Oil & Refining Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its State "M" lease waterflood project by the conversion to water injection of 13 additional wells located in Sections 19, 20, 29, 30 and 31, Township 22 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL = Day Letter
NL = Night Letter
IJ = International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point

LA169 KA177

K TUB124 PD=TULSA OKLA 7 1220P CST=
A L PORTER JR, SECY DIRECTOR=

1965 FEB 8 AM 11 55

NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE NMEX=
RESPECTFULLY REQUEST CONTINUOUS OF CASE (3203) DOCKET #465
FROM SCHEDULED EXAMINERS HEARING FEB 10 1965 TO THE
EARLIEST EXAMINERS HEARING IN MARCH=
SCHERMERHORN OIL CORP=

*Feb 10th
Continue to March 10th*

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

January 11, 1965

C
Lupardus, Holliman & Huffman
Attorneys at Law
Suite 510 Oklahoma Natural Building
Tulsa, Oklahoma

Attention: Mr. John L. Arrington, Jr.

Re: Application of Schermerhorn Oil Corporation for
Administrative Approval of a Non-Standard Loca-
tion and Non-Standard Gas Proration Unit, Humont
Gas Pool, Lea County, New Mexico

Gentlemen:

P
Y
The Secretary-Director of the Commission has declined admin-
istrative approval of the above application as our Hobbs District
Office has advised us that topographical conditions concerning the
location of the Linam G Well No. 1 1025 feet from the North line
and 1953 feet from the East line of Section 5, Township 19 South,
Range 37 East, NMPM, Lea County, New Mexico, cannot be verified.

Also, we therefore have docketed the above application for
the next examiner hearing which is scheduled for Wednesday, Febru-
ary 10, 1965. A copy of the hearing docket will be forwarded to
you.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

cc: Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

DOCKET MAILED

Date 1-25-65
JL

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To *NDW*

1-8-65

Lyman J. Hill

Scherhorn

Drilled for 10 years

Leighton from Joe

Can not approve

Topography - flat

Memo

1-7-65

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To

*He R will verify
by phone during day
Call in next day or 2.*

Handwritten signature and initials
LUPARDUS, HOLLIMAN & HUFFMAN
JOE M. HOLLIMAN
ROBERT L. HUFFMAN
WILLIAM SCHEURICH
ROBERT LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING
TULSA, OKLAHOMA 74119

January 5, 1965

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

In re: Consent to Unorthodox Location
and Non-Standard Proration Unit
for the Linam G #1 Gas Well,
located 1025' S. of the North
Line and 1953' West of the East
Line of Section 5-T19S-R37E, Lea
County, New Mexico (Proration
Unit to be N/2 NE/4 of Section 5,
80 Acres.)

Dear Sir:

Please refer to the letter dated December 21, 1964, from
J. M. Durrett, Jr., attorney for the Commission, addressed to
the undersigned, a copy of which is attached hereto for your
ready reference.

Enclosed herewith is a letter reflecting the consent of
Amerada Petroleum Corporation to the captioned non-standard
unit. We trust that your NSP order can now issue without
delay.

Thank you for your assistance in this matter.

Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

By *Handwritten signature of John L. Arrington, Jr.*
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil
Corporation

JLAJr:os

cc: J. M. Durrett, Jr., Esq.
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

F. M. Hamner, Chief Engineer
Schermerhorn Oil Corporation
P. O. Box 287
Tulsa, Oklahoma

DOCKET MAILED

Date 1-21-65

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING

TULSA, OKLAHOMA 74119

December 28, 1964

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Amerada Petroleum Corporation
218 West 6th
Tulsa, Oklahoma

In re: Consent to Unorthodox Location and Non-Standard Proration Unit for the Linam G #1 Gas Well, located 1025' S. of the North Line and 1953' West of the East Line of Section 5-T19S-R37E, Lea County, New Mexico (Proration Unit to be N/2 NE/4 of Section 5, 80 Acres.)

Attention: Mr. Lester Campbell

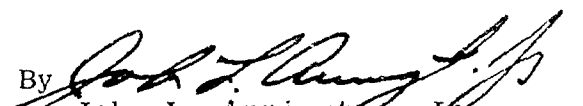
Gentlemen:

You are an operator in the above-described Section 5, and we are informed by the New Mexico Oil Conservation Commission that your consent is required for the above-described non-standard proration unit.

We have already obtained the consents of the direct and diagonal offsetting operators other than Schermerhorn Oil Corporation, as reflected by the copies of consent letters enclosed herewith, and we therefore request that you signify your consent to the proposed non-standard proration unit by signing the enclosed extra copy of this letter in the space provided below, and returning the same to the undersigned.

Yours very truly,

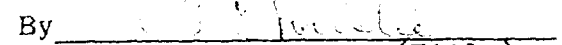
LUPARDUS, HOLLIMAN & HUFFMAN

By 
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil Corporation

JLAJr:os
Enc.
cc: Schermerhorn Oil Corp.
Attn: Mr. F. M. Hamner

The above-described non-standard unit is hereby consented to this fourth day of January, 1965.

Amerada Petroleum Corporation

By 
(Title)

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. BOX 2088
SANTA FE

LAND COMMISSIONER
C. E. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

LEGAL DIVISION
PHONE 827-2741

December 21, 1964

Lupardus, Holliman & Huffman
Attorneys at Law
Suite 510 Oklahoma Natural Building
Tulsa, Oklahoma 74119

Attention: Mr. John L. Arrington, Jr.

Re: Application of Schermerhorn Oil Corporation for
Administrative Approval of a Non-Standard Loca-
tion and Non-Standard Gas Proration Unit, Eumont
Gas Field, Lea County, New Mexico

Gentlemen:

We have your letter of December 18, 1964, and the above appli-
cation.

A copy of your application is being forwarded by copy of this
letter to our Hobbs District Office and an NSL order will be issued
upon verification of topography by our District Office.

As the above well is within the horizontal limits of the Eumont
Gas Pool, it is governed by the General Rules and Regulations Govern-
ing Prorated Gas Pools in Southeastern New Mexico and waivers must be
received from all operators owning an interest in the section under
the provisions of Rule 5(C) 6(a). We therefore will not be able to
issue an NSP order until a waiver has been received from Amerada or
they have been notified and the required 30-day period has terminated.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

cc: Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

955 JAN 7 1965

RECEIVED

DEC 24 1964

L. H. & H.

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING
TULSA, OKLAHOMA 74119

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

January 5, 1965

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

In re: Consent to Unorthodox Location
and Non-Standard Proration Unit
for the Linam G #1 Gas Well,
located 1025' S. of the North
Line and 1953' West of the East
Line of Section 5-T198-R37E, Lea
County, New Mexico (Proration
Unit to be N/2 NE/4 of Section 5,
80 Acres.)

Dear Sir:

Please refer to the letter dated December 21, 1964, from
J. M. Durrett, Jr., attorney for the Commission, addressed to
the undersigned, a copy of which is attached hereto for your
ready reference.

Enclosed herewith is a letter reflecting the consent of
Amerada Petroleum Corporation to the captioned non-standard
unit. We trust that your NSP order can now issue without
delay.

Thank you for your assistance in this matter.

Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

ORIGINAL SIGNED BY
JOHN L. ARRINGTON, JR.
By
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil
Corporation

JLAJr:os

cc: J. M. Durrett, Jr., Esq.
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

F. M. Hamner, Chief Engineer
Schermerhorn Oil Corporation
P. O. Box 287
Tulsa, Oklahoma

11-15-64

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

LEGAL DIVISION
PHONE 827-2741

December 21, 1964

2203

C
O
P
Y

Lupardus, Holliman & Huffman
Attorneys at Law
Suite 510 Oklahoma Natural Building
Tulsa, Oklahoma 74119

Attention: Mr. John L. Arrington, Jr.

Re: Application of Schermerhorn Oil Corporation for
Administrative Approval of a Non-Standard Loca-
tion and Non-Standard Gas Proration Unit, Eumont
Gas Field, Lea County, New Mexico

Gentlemen:

We have your letter of December 18, 1964, and the above appli-
cation.

A copy of your application is being forwarded by copy of this
letter to our Hobbs District Office and an NSL order will be issued
upon verification of topography by our District Office.

As the above well is within the horizontal limits of the Eumont
Gas Pool, it is governed by the General Rules and Regulations Govern-
ing Prorated Gas Pools in Southeastern New Mexico and waivers must be
received from all operators owning an interest in the section under
the provisions of Rule 5(C) 6(a). We therefore will not be able to
issue an NSP order until a waiver has been received from Amerada or
they have been notified and the required 30-day period has terminated.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

cc: Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To Jim

Is there in Cumont
gas pool or wildcat?

Per [unclear] [unclear]

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN

SUITE 510 OKLAHOMA NATURAL BUILDING

TULSA, OKLAHOMA 74119

December 18, 1964

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Secretary-Director
New Mexico Oil Conservation Commission
Santa Fe, New Mexico


Dear Sir:

Enclosed herewith are an original and two copies of an Application by Schermerhorn Oil Corporation for orders authorizing an unorthodox location and a non-standard unit in the Eumont Gas Field, Lea County, New Mexico. You will note that consent letters from off-setting operators are attached.

All requisite FPC authorization has been obtained by the purchaser, Northern Natural Gas Company, who cannot start taking gas from this well until these orders are issued. We would therefore very much appreciate your prompt attention to this matter.

Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

By 
John L. Arrington, Jr.
Attorneys for Schermerhorn
Oil Corporation

JLAJr:os

Enc.

cc: Mr. F. M. Hamner, Chief Engineer
Schermerhorn Oil Corporation
P. O. Box 287
Tulsa, Oklahoma

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico

Tidewater Oil Company
P. O. Box 1231
Midland, Texas

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas

2
1
2

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF
NEW MEXICO

IN THE MATTER OF AN APPLICATION OF)
SCHERMERHORN OIL CORPORATION UNDER)
RULE 104 OF THE COMMISSION'S STATE-)
WIDE RULES AND REGULATIONS FOR)
ORDERS APPROVING A NON-STANDARD UNIT)
AND AN UNORTHODOX LOCATION FOR THE)
LINAM G NO. 1 GAS WELL, LOCATED IN)
THE NORTH HALF OF THE NORTHEAST)
QUARTER OF SECTION 5, TOWNSHIP 19)
SOUTH, RANGE 37 EAST, LEA COUNTY,)
NEW MEXICO)

CAUSE NO. 2703

A P P L I C A T I O N

Comes now Schermerhorn Oil Corporation, a Delaware Corporation duly authorized to do business in the State of New Mexico, and shows to the Commission as follows:

1. Schermerhorn Oil Corporation (Schermerhorn) is the operator of the Linam G No. 1 Gas Well in the Eumont Gas Field, located 1025' south of the north line and 1953' west of the east line of Section 5, Township 19 south, Range 37 east, Lea County, New Mexico. As a result of topographical conditions, it was necessary to drill said well at the described location, rather than the location prescribed by Rule 104(C)(II)(a), and Schermerhorn therefore applies for an exception pursuant to Rule 104(F). A plat showing the location of the well and offsetting ownership is attached hereto and made a part hereof as Exhibit A, and the consents of the owners other than Schermerhorn of the 40-acre tracts directly and diagonally offsetting the unorthodox location are attached hereto and made a part hereof as Exhibit B.

2. Schermerhorn also requests, pursuant to Rule 104(D)(II), administrative approval of a non-standard gas unit for such well location consisting of the N/2 of the NE/4 of Section 5, Township 19 south, Range 37 east, comprising 80 acres. The consents attached hereto as Exhibit B also cover such non-standard unit.

3. The aforesaid Rule 104(F) and (D)(II), as amended by Order No. R-2707 issued on May 25, 1964, provides that the Secretary-Director of the Commission has authority to give the relief requested herein without notice of hearing under these circumstances, and Schermerhorn therefore requests such relief.

WHEREFORE, Schermerhorn Oil Corporation requests that the Secretary-Director administratively issue orders approving the above-described unorthodox location and non-standard unit for the described Linam G No. 1 gas well, so that immediate deliveries can be commenced to the pipeline purchaser, Northern Natural Gas Company, since all other necessary authorizations have already been obtained.

Respectfully submitted,
SCHERMERHORN OIL CORPORATION

By *F. M. Hamner*
F. M. Hamner
Chief Engineer

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

FRANK M. HAMNER, of lawful age, being first duly sworn, on oath states that he is employed by Schermerhorn Oil Corporation; that he has read the within and foregoing Application, that the facts stated therein are true to the best of his knowledge and belief, and that he is duly authorized to make this Affidavit on behalf of Schermerhorn Oil Corporation.

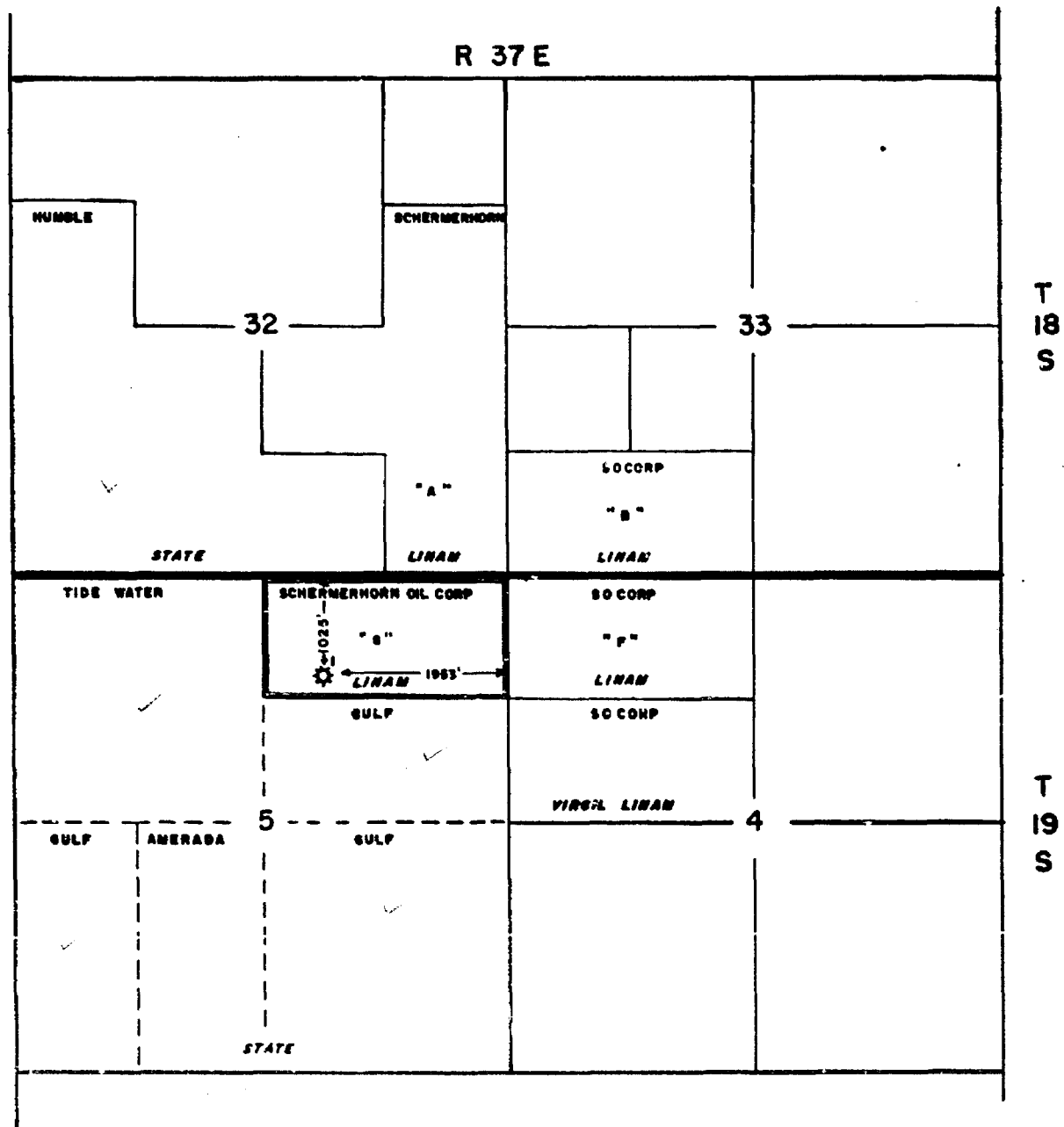
Frank M. Hamner
Frank M. Hamner

SUBSCRIBED AND SWORN TO before me this 18th day of December,
1964.

Wanda Lape
Notary Public

My Commission expires:

August 28, 1968



SCHERMERHORN OIL CORP.

LINAM "G"

LEA COUNTY, NEW MEXICO

3" = 1 MILE

Exhibit A

Lea 320?

From L. P. Lupton

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING
TULSA, OKLAHOMA 74119

November 19, 1964

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Humble Oil and Refining Company
P. O. Box 1600
Midland, Texas

Tidewater Oil Company
P. O. Box 1231
Midland, Texas

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico

In re: Consent to Unorthodox Location and Non-Standard Proration Unit for the Linam G #1 Gas Well, located 1025' S. of the North Line and 1953' West of the East Line of Section 5-T19S-R37E, Lea County, New Mexico (Proration Unit to be N/2 NE/4 of Section 5, 80 Acres.)

Gentlemen:

You are the direct and diagonal offsetting operators other than Schermerhorn Oil Corporation with respect to the above well, which by reason of topographical factors was drilled by Schermerhorn in a non-standard location. (Humble: SW/SE-32-18S-37E; Tidewater: E/2 NW/4-5-19S-37E; Gulf: S/2 NE/4-5-19S-37E)

Therefore, pursuant to Rule 104 of the Statewide Rules of the New Mexico Oil Conservation Commission, as amended, on behalf of Schermerhorn Oil Corporation we request that you signify your consent both to the unorthodox location and the non-standard unit as above described, by executing a copy of this letter in the space provided below and returning the same to us.

Schermerhorn will greatly appreciate your prompt attention to this matter, because only the lack of NSL and NSP

Exhibit B, p. 1 of 6


Humble Oil and Refining Company
Tidewater Oil Company
Gulf Oil Corporation

November 19, 1964

orders is preventing the immediate commencement of production.


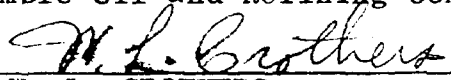
Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

By 
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil Corporation

JLAJr:os
cc: Schermerhorn Oil Corporation
Attn: F. M. Hamner

The above-described unorthodox location and non-standard unit are hereby consented to.

This ~~21st~~ 14th day of December, 1964, ^{W.D.M.} 
Humble Oil and Refining Company
By 
W. L. CROTHERS (Title)

This _____ day of _____, 1964,
Tidewater Oil Company
By _____
(Title)

This _____ day of _____, 1964,
Gulf Oil Corporation
By _____
(Title)

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING
TULSA, OKLAHOMA 74119

November 19, 1964

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Humble Oil and Refining Company
P. O. Box 1600
Midland, Texas

Tidewater Oil Company ✓
P. O. Box 1231
Midland, Texas

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico

In re: Consent to Unorthodox Location and Non-Standard Proration Unit for the Linam G #1 Gas Well, located 1025' S. of the North Line and 1953' West of the East Line of Section 5-T19S-R37E, Lea County, New Mexico (Proration Unit to be N/2 NE/4 of Section 5, 80 Acres.)

Gentlemen:

You are the direct and diagonal offsetting operators other than Schermerhorn Oil Corporation with respect to the above well, which by reason of topographical factors was drilled by Schermerhorn in a non-standard location. (Humble: SW/SE-32-18S-37E; Tidewater: E/2 NW/4-5-19S-37E; Gulf: S/2 NE/4-5-19S-37E)

Therefore, pursuant to Rule 104 of the Statewide Rules of the New Mexico Oil Conservation Commission, as amended, on behalf of Schermerhorn Oil Corporation we request that you signify your consent both to the unorthodox location and the non-standard unit as above described, by executing a copy of this letter in the space provided below and returning the same to us.

Schermerhorn will greatly appreciate your prompt attention to this matter, because only the lack of NSL and NSP

Exhibit B, p. 3 of 6

67-108-63


Humble Oil and Refining Company
Tidewater Oil Company
Gulf Oil Corporation

November 19, 1964

orders is preventing the immediate commencement of production.

Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

By 
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil Corporation


JLAJr:os
cc: Schermerhorn Oil Corporation
Attn: F. M. Hamner

The above-described unorthodox location and non-standard unit are hereby consented to.

This _____ day of _____, 1964,
Humble Oil and Refining Company

By _____
(Title)

This 24th day of November, 1964,
Tidewater Oil Company

By 
R.H. Coe, District Production Manager (Title)

This _____ day of _____, 1964,
Gulf Oil Corporation

By _____
(Title)

LAW OFFICES
LUPARDUS, HOLLIMAN & HUFFMAN
SUITE 510 OKLAHOMA NATURAL BUILDING
TULSA, OKLAHOMA 74119

November 19, 1964

O. L. LUPARDUS
JOE M. HOLLIMAN
ROBERT A. HUFFMAN
WILLIAM SCHEURICH
ROBERT W. LANGHOLZ
JOHN L. ARRINGTON, JR.
SAM P. DANIEL, JR.
GAIL R. RUNNELS
JAMES L. KINCAID
KENNETH M. CYRUS

TELEPHONE
LUTHER 5-8141
AREA CODE 918

Humble Oil and Refining Company
P. O. Box 1600
Midland, Texas

Tidewater Oil Company
P. O. Box 1231
Midland, Texas

Gulf Oil Corporation ✓
P. O. Box 1938
Roswell, New Mexico

RECEIVED

NOV 30 1964

H. & A.

In re: Consent to Unorthodox Location and Non-Standard Proration Unit for the Linam G #1 Gas Well, located 1025' S. of the North Line and 1953' West of the East Line of Section 5-T19S-R37E, Lea County, New Mexico (Proration Unit to be N/2 NE/4 of Section 5, 80 Acres.)

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Exhibit B, p. 5 of 6


Humble Oil and Refining Company
Tidewater Oil Company
Gulf Oil Corporation

November 19, 1964

orders is preventing the immediate commencement of production.

Yours very truly,

LUPARDUS, HOLLIMAN & HUFFMAN

By 
John L. Arrington, Jr.
Attorneys for Schermerhorn Oil Corporation

JLAJr:os
cc: Schermerhorn Oil Corporation
Attn: F. M. Hamner

The above-described unorthodox location and non-standard unit are hereby consented to.

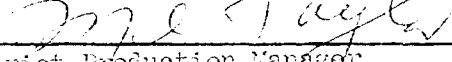
This _____ day of _____, 1964,
Humble Oil and Refining Company

By _____
(Title)

This _____ day of _____, 1964,
Tidewater Oil Company

By _____
(Title)

This 27th day of November, 1964,
Gulf Oil Corporation

By 
District Production Manager (Title)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARRINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 10, 1965

EXAMINER HEARING

IN THE MATTER OF:

APPLICATION OF SCHERMERHORN OIL CORPORATION
FOR A NON-STANDARD LOCATION AND A NON-
STANDARD GAS PRORATION UNIT, LEA COUNTY,
NEW MEXICO

Case No. 3203

BEFORE:

ELVIS A. UTZ

TRANSCRIPT OF HEARING



dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

PAGE 2

MR. UTZ: The hearing will come to order, please.
We have a continuance we will take up first. Case Number 3203.

MR. DURRETT: Application of Schermerhorn Oil
Corporation for a non-standard location and a non-standard
gas proration unit, Lea County, New Mexico.

MR. UTZ: Counsel for Schermerhorn called and asked
for a dismissal of this case, since the well was a dry hole
and will be plugged--which I guess is a pretty good reason.
The case will be dismissed.

* * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ELIZABETH K. HALE, Notary Public and Court Reporter,
do hereby certify that proceedings in the foregoing case were
taken and transcribed by me, and that the foregoing is a
true and correct transcript of proceedings to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this 21st
day of March, 1965.

Notary Public

My commission expires
May 23, 1968.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the hearing of Case No. 3203,
heard on March 18, 1965.
_____, Examiner
New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

PAGE 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 10, 1965

EXAMINER HEARING

IN THE MATTER OF:

Application of Schermerhorn Oil
Corporation for a non-standard
location and a non-standard gas
proration unit, Lea County, New
Mexico.

Case No. 3203

BEFORE: DANIEL S. NUTTER, Examiner
 ELVIS A. UTZ: Alternate Examiner

TRANSCRIPT OF HEARING

MR. UTZ: We will call the next Case, Case Number 3203.

MR. DURRETT: Application of Schermerhorn Oil Corporation for a non-standard location and a non-standard gas proration unit, Lea County, New Mexico.

In this case, we have a telegram reading as follows:
"Respectfully request continuance of Case 3203 from scheduled Examiner's Hearing on February 10, 1965 to earliest Examiner Hearing in March".

MR. UTZ: The case will be continued to the Examiner Hearing on March 10, 1965.

dearnley-meier recording company, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

PAGE 3

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

I, ADA DEARNLEY, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by JOHN ORFANIDES, a Court Reporter, and that the same is a true and correct record of the said proceedings.

John Orfanides
Ada Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3203, heard by me on *May 15, 1965*.
Thurston, Examiner
New Mexico Oil Conservation Commission