

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

December 19, 1955

Western Natural Gas Company
1006 Main Street
Houston 2, Texas

Attention: Mr. Paul C. Wright

Gentlemen:

Reference is made to your letter of November 21, pertaining to a non-standard proration unit for your Wells Well No. 1, the 160-acre proration unit being located in Section 6, Township 25 South, Range 37 East, in the Jalmat Gas Pool.

I am enclosing Administrative Order NSP-218 approving your non-standard proration unit. You will note that the allowable assigned this well is to be retro-active to October 1, 1955. We realize that there are a number of circumstances concerning this matter which delayed your application for a 160-acre unit. However, we do not feel that it is within our jurisdiction to grant this allowable retro-active to November 1, 1954. The effective date of October 1, 1955 is deemed to be the only feasible date which we can make the increased allowable effective since it is the first day of the month following the hearing in this matter.

If you have any further questions concerning this matter, please contact me.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:jh

C
O
P
Y

copy to acc - H.H. 12/6/55

MAIN OFFICE **Western Natural Gas Company**

NATIONAL STANDARD BUILDING

1955 NOV 25 PM 3:25

Houston 2, Texas

November 21, 1955

W. K. DAVIS
VICE-PRESIDENT
IN CHARGE OF
OPERATIONS

*WBM,
says
more effective
10/1/55*

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

Attention: Mr. W. B. Macey

Gentlemen:

Western Natural Gas Company has contemporaneously herewith made application for administrative approval of a non-standard gas proration unit of 160 acres consisting of the SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Township 25 South, Range 37 East, Lea County, New Mexico. By this letter Western hereby makes application for a retroactive gas allowable for said unit.

In support of this application Western advises the Commission as follows:

(1) On July 17, 1954, Western first requested waivers from offset lease owners with respect to said 160 acre gas proration unit. After waiting a considerable time waivers were received from all offset owners except one, and Western learned during October of 1954 that this owner owned only the oil rights under its lease, El Paso Natural Gas Company owning the gas rights. The lease contains 40 acres.

(2) On October 28, 1954, Western wrote El Paso requesting a waiver from it.

(3) In November of 1954 El Paso contacted Western, stating that El Paso desired to contribute its 40 acre lease in order to make a 200 acre gas proration unit.

(4) On December 13, 1954, Western wrote to the offset owners again, this time requesting agreement to a 200 acre non-standard gas proration unit. Replies were received from all offset owners within a month thereafter.

11/21/55

(5) On January 21, 1955, El Paso wrote Western a letter suggesting that El Paso's participation in the proposed 200 acre unit to be on a depleted well basis. This was not acceptable to Western and the matter was finally compromised at a meeting between representatives of Western and El Paso held on February 8, 1955.

(6) Considerable time was thereafter expended in the preparation of necessary unit and operating agreements and the same were not finally agreed upon by the parties until August 3, 1955. On August 13, 1955, Western made application to the Commission for approval of a non-standard gas proration unit to be comprised of the 160 acres owned by Western and the 40 acres owned by El Paso.

(7) On September 15, 1955, a hearing on Western's application was held before the Commission in Santa Fe.

(8) On October 13, 1955, the Commission issued Order No. R-704 which denied Western's application.

From about November 1, 1954, to October 13, 1955, Western was engaged in an attempt to form a 200 acre gas proration unit which would have prevented El Paso's 40 acre lease from being unallocated to any unit. This was done by Western in the good faith belief that the interests of the conservation would best be served by the formation of such unit and that, accordingly, the Commission would expect Western to attempt to form the same. It appears that the only objection to the formation of the unit arose through the decision of the Commission that as a matter of policy tracts would not be considered to be contiguous if they had only a common corner. It is believed that the Western application raised the question for the first time, and accordingly Western should not be charged with a lack of diligence in not anticipating the decision the Commission would make. It is believed that if the policy question had not been involved the Commission would have approved the 200 acre unit.

In view of the circumstances as above outlined, Western requests that the 160 acre unit this day applied for be awarded an allowable to have retroactive effect to November 1, 1954, the date upon which Western could in all probability have obtained approval of such 160 acre unit had the events above outlined not intervened.

El Paso Natural Gas Company has advised Western that if such an allowable is granted El Paso will endeavor to take sufficient gas from the unit to permit Western to utilize such allowable.

Very truly yours,

WESTERN NATURAL GAS COMPANY

By: Paul C. Knight

Chief Engineer

Western Natural Gas Company

1006 MAIN STREET

Houston 2, Texas

December 15, 1955

W. K. DAVIS
VICE-PRESIDENT
IN CHARGE OF
OPERATIONS

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Warren Mankin

Gentlemen:

Attached in triplicate are waivers from El Paso Natural Gas Company, Phillips Petroleum Company, Westates Petroleum Corporation, and Skelly Oil Company pertaining to our application for a 160 acre nonstandard gas proration unit around our Wells #1 in the Jalmat Pool, Lea County, New Mexico.

It is our understanding that the submittal of these waivers will enable you to grant us the allowable for this unit without a further waiting period.

We sincerely thank you for your considerations in connection with this unit.

Yours truly,

Paul C. Wright
Paul C. Wright

PCW:ad

*NSP-218
ent 1-29/55
but written 12/19/55
with waivers
allowable 46
107.1/55 per WBM*

December 7, 1955

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

Attention: Mr. W. B. Jacey

Re: NM-44

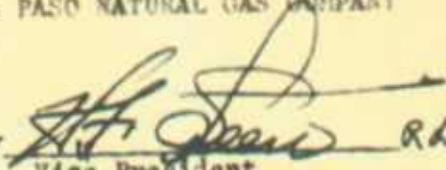
Gentlemen:

We have been informed that Western Natural Gas Company has requested approval of a Non-Standard 160 acre Gas Proration Unit in the Jalmat Gas Pool, to be allocated to its Wells No. 1 Well located 1990 feet from the North Line and 1990 feet from the East Line of Section 6, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico. We understand that said proposed Non-Standard Gas Proration Unit consists of the SW/4 NE/4, SE/4 NW/4, NE/4 SW/4 and NW/4 SE/4 of Section 6, Township 25 South, Range 37 East, N.M.P.M.

You are respectfully advised that we hereby waive notice and hearing as to said application for approval of said above described Non-Standard Gas Proration Unit.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By  R. L. H.
Vice President

cc: Western Natural Gas Company
Houston, Texas
Attention: Mr. Paul Wright

PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

July 23, 1954

Western Natural Gas Company,
Non-Standard Proration Unit,
Sec. 6, T25S, R37E, Lea
County, New Mexico

File: 2-Cu-177-54-NJ

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

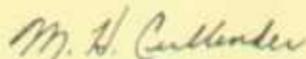
Gentlemen:

The Western Natural Gas Company has informed us that they desire to establish the SW/4 NE/4, SE/4 NW/4, NE/4 SW/4, and NW/4 SE/4, Section 6, Township 25S, Range 37E, as a non-standard gas proration unit in the Jalco Gas Pool.

This is to advise that Phillips Petroleum Company has no objection to the formation of the above described unit.

This is also to advise that the Pure Oil Company, as a part owner of the Phillips C. D. Woolworth Group 3 Lease covering all of the south 480 acres of Section 6, Township 25S, Range 37E, except the above described Western Natural acreage, was also notified of the proposed unit by Western Natural Gas Company. Since Phillips is the operator of this jointly owned unit, Pure Oil Company has requested that we furnish the waiver for both parties.

Very truly yours,



M. H. Cullender

MHC:tlp

cc: Mr. Paul C. Wright
Western Natural Gas Company
National Standard Building
Houston 2, Texas

Mr. Jack T. Duree
The Pure Oil Company
P. O. Box 2107
Fort Worth 1, Texas

file

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. R.R. Spurrier

Gentlemen:

Western Natural Gas Company has informed us that they have requested the approval of an unorthodox gas proration unit under the provisions of Rule 7, Order No. ~~R-368 A~~, covering their ~~Wells No. 1~~ Well, located ~~1980' from N & E lines, Section 6-258-37E~~, Lea County, New Mexico. We have been advised that this unit consists of ~~160~~ acres situated in the ~~SW1/4 NE1/4, SE1/4 NW1/4, NE1/4 SW1/4, and NW1/4 SE1/4, 6-25-37~~ of Lea County, New Mexico.

Please accept this as our waiver of notice and hearing on this application since we have no objection to the formation of the specified unit.

Very truly yours,

~~WESTATES ENERGY PETROLEUM CORPORATION~~

By: *R. A. Law*

file

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. R.R. Spurrier

Gentlemen:

Western Natural Gas Company has informed us that they have requested the approval of an unorthodox gas proration unit under the provisions of Rule 7, Order No. _____, covering their ~~Wells No. 1~~

~~R-368 A~~ Well, located _____ ~~1980' from N & E Lines, Sec. 6-258-37E~~
_____, Lea County, New Mexico. We have been

advised that this unit consists of ~~160~~ acres situated

in the _____ ~~SW1/4 NE1/4, SE1/4 NW1/4, NE1/4 SW1/4, and NW1/4 SE1/4, 6-25-37~~
of Lea County, New Mexico.

Please accept this as our waiver of notice and hearing on this application since we have no objection to the formation of the specified unit.

Very truly yours,

~~SKELLY OIL COMPANY~~

By: _____

[Handwritten Signature]

OK
[Handwritten initials]

El Paso Natural Gas Company

El Paso, Texas

December 7, 1955

NSP-218

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

Attention: Mr. W. B. Macey

Re: NM-44

Gentlemen:

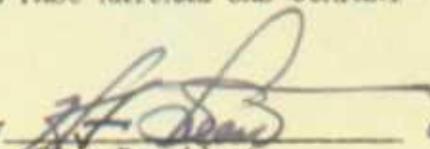
We have been informed that Western Natural Gas Company has requested approval of a Non-Standard 160 acre Gas Proration Unit in the Jalmat Gas Pool, to be allocated to its Wells No. 1 Well located 1980 feet from the North Line and 1980 feet from the East Line of Section 6, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico. We understand that said proposed Non-Standard Gas Proration Unit consists of the SW/4 NE/4, SE/4 NW/4, NE/4 SW/4 and NW/4 SE/4 of Section 6, Township 25 South, Range 37 East, N.M.P.M.

You are respectfully advised that we hereby waive notice and hearing as to said application for approval of said above described Non-Standard Gas Proration Unit.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By


Vice President

RKH

cc: Western Natural Gas Company
Houston, Texas
Attention: Mr. Paul Wright

MAIN OFFICE OGC

ISSUED 7 AM 11:39

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE December 6, 1955

Enc 12/29/55

MR. W. B. MACEY
OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

RE:
PROPOSED NSP 218
PROPOSED NSL _____

Dear Mr. Macey:

I have examined the application dated 11/23
for the Western Natural Gas Co. Wells #1-G 6-25-37
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

OK-CR

OK-RPM

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Rieder

~~Stanley A. Stanley~~ C. M. Rieder
Engineer

MAIN OFFICE OCC

Western Natural Gas Company

1006 MAIN STREET

ES:CV 25 M 3:26

Houston 2, Texas

W. K. DAVIS
VICE-PRESIDENT
IN CHARGE OF
OPERATIONS

Call Collect
23745
Harvey Carr
or Howard McKoy

November 23, 1955

NSR 218

due 12/29/55

*unless waivers
are sent in*

*then on 11/29/55
effective date? See letter!*

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

Gentlemen:

We herewith make application in triplicate for administrative approval of a non-standard gas proration unit of 160 acres consisting of the SW 1/4 NE 1/4, SE 1/4 NW 1/4, NE 1/4 SW 1/4, and NW 1/4 SE 1/4 of Section 6, Township 25S, Range 37E, Lea County, New Mexico. This unit is to be assigned to our Wells No. 1 Well in the Jalmat Pool, located 1980' from the North Line and 1980' from the East Line of Section 6-25S-37E. This location also falls 660' from the North and East Lines of the Lease. We attach herewith 3 copies of the plat of this unit showing the acreage involved, the location of the well, and the offset ownership.

We wish to make the following statements in compliance with Order No. R-520:

1. Our Wells No. 1 was originally completed on October 19, 1939 as a gas well in the Yates Formation through perforations 2830-3150'. This well was completed prior to the effective date of Order No. R-520 and in accordance with the spacing regulations in effect at the time of completion.
2. The well is completed within the vertical limits and the horizontal limits of the Jalmat Pool.
3. The location falls within the limits prescribed for a 160 acre unit by Rule 5(a), Order No. R-520.
4. The unit consists of continuous and contiguous acreage.
5. The unit lies wholly within a governmental section.
6. In my opinion, the unit is reasonably productive of gas.

eff 11/1/55

- 7. The unit does not exceed 5280' along its length or width.
- 8. By copy of this letter and plat, we have notified the following offset owners by registered U.S. Mail (return receipt requested):

Skelly Oil Company
 Box 38
 Hobbs, New Mexico

Phillips Petroleum Company
 Box 2105
 Hobbs, New Mexico

Westates Petroleum Corporation
 Box 1381
 Jal, New Mexico

El Paso Natural Gas Company
 El Paso Natural Gas Company Building
 El Paso, Texas

✓ OK

Anderson-Prichard Oil Corporation
 Box 2197
 Hobbs, New Mexico

- 9. In my opinion this well will produce the allowable normally assigned to a 160 acre gas proration unit.
- 10. New Mexico Oil Conservation Commission Order No. R-704, Paragraph 5, states that the formation of this 160 acre unit would constitute orderly development of the Jalmat Gas Pool and protect correlative rights.

Very truly yours,

Paul C. Wright
 Paul C. Wright

PCW:mm

cc :K.P. Moore
 R.H. McKoy
 Skelly Oil Company
 Westates Petroleum Corporation
 Anderson-Prichard Oil Corporation
 Phillips Petroleum Company
 El Paso Natural Gas Company

I hereby certify that the statements made in this application are true and correct to the best of my knowledge and belief.

Paul C. Wright
 Paul C. Wright
 Chief Engineer
 Title

SUBSCRIBED AND SWORN TO BEFORE ME THE 25 DAY OF November, 1955.



MARY NICHOLS
 Notary Public in and for Harris County, Texas

Mary Nichols
 NOTARY PUBLIC IN AND FOR
Harris COUNTY, TEXAS

(SEAL)

MAIN OFFICE OCC
PHILLIPS PETROLEUM COMPANY

1954 DEC 27 11 21 AM
BARTLESVILLE, OKLAHOMA

NATURAL GAS DEPARTMENT

A. M. RIPPEN, MANAGER
R. B. STEWART, ASST. MANAGER
DAN L. HAYES, GENERAL SUPT.
ALLEN B. HIATT, TECHNICAL ADVISOR
E. D. MCELVAIN, COORDINATOR

December 22, 1954

Western Natural Gas Company,
Non-Standard Proration Unit,
Sec. 6, T25S, R37E, Lea
County, New Mexico

File: 2-Cu-338-54-NG

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

Gentlemen:

The Western Natural Gas Company has informed us that they desire to establish the SW/4 NE/4, SE/4 NW/4, NE/4 SW/4, NW/4 SE/4, & NW/4 NW/4, Section 6, Township 25S, Range 37E, Lea County, New Mexico, as a non-standard gas proration unit in the Jalco Gas Pool.

This is to advise that Phillips Petroleum Company has no objection to the formation of the above described unit.

This is also to advise that the Pure Oil Company, as a part owner of the Phillips C. D. Woolworth Group 3 Lease covering all of the south 480 acres of Section 6, Township 25S, Range 37E, except the above described Western Natural acreage, was also notified of the proposed unit by Western Natural Gas Company. Since Phillips is the operator of this jointly owned unit, Pure Oil Company has requested that we furnish the waiver for both parties.

Very truly yours,

M. H. Cullender
by *H. H. W.*

M. H. Cullender

MHC:lb

cc: Mr. Paul C. Wright
Western Natural Gas Company
National Standard Building
Houston 2, Texas

Mr. Jack T. Duree
The Pure Oil Company
P. O. Box 2107
Fort Worth 1, Texas

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

Western Natural Gas Company has informed us that they have requested the approval of an unorthodox gas proration unit under the provisions of Rule 5, Order No. R-520, covering their Wells No. 1 Well, located 1980' from N & E, Sec. 6-25-37, Lea County, New Mexico. We have been advised that this unit consists of 200 acres situated in the ~~SW1/4, NW1/4, NE1/4, & SE1/4~~ Sec. 6, T25N, R37E, Lea County, New Mexico.

Please accept this as our waiver of notice and hearing on this application since we have no objection to the formation of the specified unit.

Very truly yours,

Phillips Petroleum Co.

By: _____

U.S.M.

MAIN OFFICE OCC
PHILLIPS PETROLEUM COMPANY

1954 JUL 27 AM 11:40 OKLAHOMA

NATURAL GAS DEPARTMENT

A. M. RIPPEN, MANAGER
H. B. STEWART, ASST. MANAGER
DAN L. MAYER, GENERAL SUPT.
ALLEN B. HIATT, TECHNICAL ADVISOR
E. D. MCELVAIN, COORDINATOR

July 23, 1954

Western Natural Gas Company,
Non-Standard Proration Unit,
Sec. 6, T25S, R37E, Lea
County, New Mexico

File: 2-Cu-177-54-NG

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

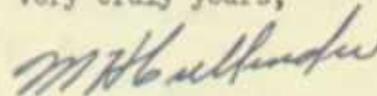
Gentlemen:

The Western Natural Gas Company has informed us that they desire to establish the SW/4 NE/4, SE/4 NW/4, NE/4 SW/4, and NW/4 SE/4, Section 6, Township 25S, Range 37E, as a non-standard gas proration unit in the Jalco Gas Pool.

This is to advise that Phillips Petroleum Company has no objection to the formation of the above described unit.

This is also to advise that the Pure Oil Company, as a part owner of the Phillips C. D. Woolworth Group 3 Lease covering all of the south 480 acres of Section 6, Township 25S, Range 37E, except the above described Western Natural acreage, was also notified of the proposed unit by Western Natural Gas Company. Since Phillips is the operator of this jointly owned unit, Pure Oil Company has requested that we furnish the waiver for both parties.

Very truly yours,



M. H. Cullender

MGE:tlp

cc: Mr. Paul C. Wright
Western Natural Gas Company
National Standard Building
Houston 2, Texas

Mr. Jack T. Duree
The Pure Oil Company
P. O. Box 2107
Fort Worth 1, Texas