### BRAND & COWAN

ATTORNEYS AT LAW

P. O. BOX 1176

TELEPHONES: LOCAL 315
DASHKO BLDG.

L. D. 10

HOBBS, NEW MEXICO

March 7, 1952

354

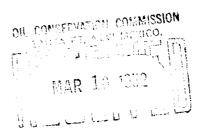
Cil Conservation Commission Santa Fe, New Mexico Attn: Mr. William Macey

Re: Case No.: 297 Order No.: R-103

Gentlemen:

Cur client, C. E. Willingham, M.D. of 319 West Second Street, Tyler, Texas, is the owner of an oil well drilled as a test well 1310 feet South of the North line and 1310 feet West of the East line of Section 34, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico. This well was drilled by the Aurora Gasoline Company under contract with Dr. Willingham, and the drilling of such well as an unorthodox well location was permitted by the Cil Conservation Commission of New Mexico in the above styled and numbered case on August 7, 1951 in Santa Fe, New Mexico at 10:00 A.M. Such permission was granted after due hearing and publication to determine the feasibility of carrying on a secondary recovery program by water flooding for the recovery of oil or gas from the "Queen" or "Grayburg" formation in the Penrose Skelly pool, and that the Commission ordered that in the event such secondary recovery did not prove to be practicable that applicant should be permitted to complete said well, if it prove to be capable of producing oil or gas in paying quantities, subject to the further order of the Commission.

That the water flooding program contemplated by the order of the Commission proved impracticable and not feasible for the reason that the formation was too tight to take water, as will be fully shown to the Commission by the Cone Analysis of Earlougher Engineering of Tulsa, Oklahoma, which report will be presented to the Commission upon a hearing of this cause.



My client, and your applicant, C. E. Willingham, further states that the said Aurora Gasoline Company did on or before October 19, 1951 return said well and all interest therein to your applicant, and that your applicant did thereafter, by the use of cable tool drilling equipment and ordinary methods, complete such well to production in the Queen sand section, and that the same is now capable of producing, and does produce, twelve to fifteen barrels of oil per day by natural flow through two inch tubing.

Your applicant, therefore, prays that the Commission set a time and place for hearing on this application, and that upon such hearing it grant to applicant the right to produce such well, according to the allowable or allowables, under the present and future rules and regulations of the Oil Conservation Commission of the State of New Mexico.

Very truly yours,

BRAND & COWAN

By: Nowa Attorneys for Applicant

C. E. Willingham, M. D.

Hobbs, New Mexico

AURORA GASOLINE COMPANY

Refiners and Marketers

REFINERIES: DETROIT, MICHIGAN ELSIE, MICHIGAN

15911 WYOMING AVENUE DETROIT 21, MICH.

March 18, 1952

UNIVERSITY 3-5800

REPLY TO:

TULSA BRANCH OFFICE 308xxx WRIGHT BLDG.
TULSA, OKLAHOMA
TELEPHONE: 2-1010

C. E. Willingham, M. D. 808 Peoples Bank Building Tyler, Texas

Dear Mr. Willingham:

As you recall, some time last year we concluded a deal with you involving the drilling of a test well in the Northeast Quarter (NE1) of Section 34, Township 22 South, Range 37 East, NNPN, Lee County, New Mexico, for the purpose of determining whether the formation which was productive in the area was susceptible to a secondary recovery project. On October 15, 1951 our application to the Commission for approval of this unorthodox location was granted, this being identified as Case No. 297, Order No. R-103.

The test well was subsequently drilled and cored. An analysis of the core indicated that due to the low permeability of the producing horizon that the value of a water flood was extremely dubious. Accordingly, and in line with the terms of our original agreement, we re-assigned to you the acreage involved including the drill site.

Inasmuch as the order mentioned above, granting approval to this location, indicated that if a secondary project was not feasible that an allowable would be given to this well, we assume that such approval will be transferred to you.

If there is any other data which we can supply, either to you or to the Commission, please do not hesitate to contact us.

Yours very truly,

AURORA GASOLINE COMPANY

M. S. Schiller

MSS/mr

cc - Mr. Amis Mr. Shier

# VESTERN 1220 UNION (20)

SYMBOLS

DL=Day Lettet

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

-LA019 KA056

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NEW MEXICO OIL CONSERVATION COMMISSION=

MABRY HALL STATE CAPITOL BLDG SANTAFE NMEX=

WE ARE IN RECEIPT OF NOTICE OF HEARING SET 900 AM APRIL 15
IN CASE 354- APPLICATION C E WILLINGHAM FOR PERMISSION TO
PRODUCE T O MAY WELL NO 5 PENROSE SKELLY POOL. AS OFFSET
OPERATOR WE ARE CONCERNED WITH THIS APPLICATION AND DESIRE
POSTPONEMENT UNTIL MAY HEARINGS IN ORDER TO SECURE DATA AND
INFORMATION NECESSARY FOR SUCH HEARING. WE RESPECTFULLY
REQUEST SUCH POSTPONEMENT. PLEASE ADVISE

GEORGE W SELINGER SKELLY OIL CO='

#### OIL CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

April 2, 1952

C

BRAND & COMAN Box 1176 Hobbs, N. M.

()

Attention: Mr. Ray Cowan

Gentlemen:

RE: OCC Case 354

P

Reference is made to your application dated March 7, 1952, in which your client, Mr. C. E. Willingham, makes application for permission to produce the T. O. May Well No. 5, formerly operated by Aurora Gasoline Company.

Y

This application has been set for hearing at 9 a.m. on April 15, 1952, as Case 354. Legal advertisement has been properly issued.

Very truly yours,

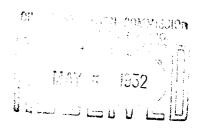
R. R. Spurrier Secretary - Director

RRS:nr



# HUMBLE OIL & REFINING COMPANY HOUSTON 1, TEXAS

May 1, 1952



File: 10-2

Re: J. L. Greenwood Lease

Mr. Cooper Skelly Oil Company Tulsa, Oklahoma

Dear Sir:

We attach a plat of an area in the Penrose-Skelly Field, Lea County, New Mexico, adjacent to the Willingham No. 5 well in the center of the NE/4 Section 34.

From this plat it appears that Skelly has nearly twice as many producing wells as Mr. Willingham, and that Skelly and Willingham have a very large preponderance of the producing wells.

As the smaller operators can do very little relative to the initiation of a secondary recovery program for the area, it is suggested that Skelly as the major interest in the area contact Mr. Willingham and arrange an operator's meeting to discuss water injection.

With regards to the pilot water injection being carried on by Humble and Magnolia in another part of the field, no effects of water injection have bean determined as yet, other than the ability of the formation to take injection water. To make the flood fully effective, additional injection wells are required to furnish a fourway water drive to a centrally located producing well. For your information, we attach a statement covering this pilot injection.

Very truly yours,

J. W. HOUSE

COPY ORIGINAL R. S. TELLY

BY: R. S. DEWEY

RSD/rs Attachment



Cose 354.

# **SKELLY OIL COMPANY**

PRODUCTION DEPARTMENT

E. A. JENKINS
GENERAL SUPERINTENDENT

J. S. FREEMAN VICE PRESIDENT **TULSA 2, OKLAHOMA** 

April 9, 1952

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER
PRORATION ATTORNEY

J. H. McCULLOCH CHIEF CLERK

Re: Case 354, Applicant-C. E. Willingham Hearing, April 15, 1952

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Attention: Mr. William Macey

Gentlemen:

This is to confirm telegram sent yesterday morning, to-wit, April 8, 1952, as follows:

"We are in receipt of notice of hearing set 9:00 a.m., April 15, in Case 354, application C. E. Willingham for permission to produce T. O. May Well No. 5, Penrose Skelly Pool. As offset operator we are concerned with this application and desire postponement until May hearings in order to secure data and information necessary for such hearing. We respectfully request such postponement. Please advise".

In explanation of such request, wish to advise that both Humble Oil and Refining Company, although they will speak for themselves, and Skelly offset the applicant's lease in Section 34, Township 22 South, Range 37 mast, Penrose Skelly Area, Lea County, New Mexico, and the matter of feasibility of water flooding is necessarily an important part of the hearing, and since Humble and others are already water flooding in the Penrose Skelly Field, it will necessitate some time to secure this information and data and the lack of sufficient time requires the post-ponement of this hearing.

In addition the undersigned has a hearing set for 10:00 A.M. April 15, before the Colorado Oil and Gas Conservation Commission and will be engaged in that hearing on that date. We therefore requested, by our telegram of yesterday, postponement until the May 20 hearings in Santa Fe, at which time we will be prepared for this hearing.

APR 11 1952 A

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as indicated below we are sending a carbon copy of this letter to the Humble Oil and Refining Company, Mr. C. E. Willingham, the applicant, and we are unable to send a copy of this letter to Brand & Cowan, who are his attorneys, since we do not have their address.

Yours very truly

George W. Selinger

GWS: dd

cc: Mr. C. E. Willingham 319 W. Second Street Tyler, Texas

> Mr. John House Humble Oil and Refining Company Midland, Texas

Mr. Dunlavey

# C. E. WILLINGHAM, M. D., F. A. C. S. 808 PEOPLES BANK BUILDING TYLER, TEXAS

April 29, 1952

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

Dear Sirs:

I have recently sold all my producing properties in New Mexico to Gulf Coast Western Oil Company of Oklahoma City, Oklahoma. They took over operation of the property on April 23, 1952.

I have posted with you a plugging bond which I would appreciate your returning to me so that I may cancel my contract with the insurance Company.

Very truly yours,

C. E. Willingham, M. D.

CEW es..

So W. Gulf takes it

Off Control of Commission

And Control of Control of Commission

And Control of Control of Control of Commission

And Control of



# **SKELLY OIL COMPANY**

#### PRODUCTION DEPARTMENT

J. S. FREEMAN VICE PRESIDENT

E. A. JENKINS GENERAL SUPERINTENDENT

## **TULSA 2.OKLAHOMA**

May 9, 1952

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER
PROPATION ATTORNEY

J. H. McCULLOCH

He: Case No. 354.

Hearing originally set

April 15, 1952

Mr. R. A. Spurrier New Mexico Oil Conservation Commission Mabry Hall Santa Fe, New Nexico

Dear Sir:

Prior to the April 15 hearing, we requested that this matter be continued to the May 20th hearing, and we understand that Humble made a similar request. The continuation was predicated on the basis of insufficient time to secure data which we thought was pertinent to the presentation of this matter. We would appreciate your advising us whether or not this matter is set for the May 20th hearing.

In looking over the April Schedule we note that the lease designated as the T. O. May lease in Section 34-228-37E is listed in the Penrose Skelly Pool, and each of the four wells, that is, wells Nos. 1, 2, 3 and 4, are assigned an allowable. We also note that Supplement #40, effective March 10, 1952, assigns an allowable to the T. O. May No. 5 well, and Supplement #40-A, effective March 26, 1952, again assigns an allowable to the No. 5 well.

In looking over Order No. R-103 in Case 297, said order permitted the Aurora Gasoline Company, as applicant, the drilling of an unorthodox well for conducting an experimental well to Letermine the feasibility of carrying on a secondary recovery program for the recovery of oil or gas from the queen or Grayburg formation in the Penrose Skelly Pool, and specifically provides that before an allowable for oil producing purposes can be assigned this well that a hearing be held for such purpose. We do not feel that this lease should be assigned five wells on the 160 acres for allowable purposes, and we believe that the allowable on the No. 5 well should be held up pending the hearing in compliance with this order.

St. Stung

Mr. n. n. Spurrier -2-New Mexico Cil Conservation Commission Mabry Hall Santa Fe, New Nexico May 9, 1952

We would, therefore, appreciate hearing from you in regard to both matters. (1) As to whether or not the hearing will come up on the 20th, and (2) whether or not the Commission will grant Mr. C. E. Willingham an allowable prior to the hearing.

Yours very truly,

George M. Selinger

G/S: dd

cc: Mr. J. W. House
Humble Gil & mefining Company
Midland, Texas

Mr. Dunlavey

### OIL CONSERVATION COMMISSION

P. O. BOX 871

#### SANTA FE, NEW MEXICO

Case 354

May 12, 1952

C

Mr. George W. Selinger Skelly Oil Company Tulsa 2 - Oklahoma

O

Dear Sir:

Reference is made to your letter of May 9 pertaining to Case 354.

P

In answer to your questions, Case 354 is not listed on the docket, but the case will be heard in accordance with your request of April 9. The applicant, C. E. Willingham, submitted testimony and exhibits to support his application at the April 15 hearing.

Y

At the present time, Mr. Willingham is producing the T. O. May Well No. 5, Penrose-Skelly Pool, through permission of the Commission.

For your information, we recently received a communication from Mr. Willingham to the effect that he had sold this lease to the Gulf Coast Western Oil Company of Oklahoma City.

Yours very truly,

W. B. Macey Chief Engineer

WBMinr

ec: Mr. Ray Cowan Box 1176 Hobbs, N. M. CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION (2

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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K.TUA129 LONG PD=WUX TULSA OKLA 14 919A=

W B MACEY. OIL CONSERVATION COMMISSION=

MABRY HALL SANTA FE NMEX=

THANKS FOR YOUR LETTER MAY 12 CASE 354 WOULD APPRECIATE

IF IT IS POSSIBLE FOR TRANSCRIPT OF TESTIMONY AND EXHIBITS

TO BE SENT TO THE LA FONDA HOTEL IN MY NAME SO THAT WE CAN

GO OVER SAME MONDAY NIGHT WHEN WE ARRIVE PRIOR TO THE

TUESDAY MORNING HEARING. IF SATISFACTORY PLEASE LEAVE

SAME AT THE HOTEL DESK FOR ME TO PICK UP WHEN REGISTERING

MONDAY NIGHT:

=GEORGE W SELINGER SKELLY OIL CO=



12 354=

Mr. Lee Ford Land Department Gulf Coast Western Oil Go. Petroleum Building Oklahoma City 2, Oklahoma

Dear Mr. Ford:

In reference to your letter of July 17, 1952, in regards to your request for Exhibit No. 2, in Case No. 354.

Enclosed you will find a copy of this Exhibit which you may keep for your files.

Very truly yours,

WBM:lh

For W. B. Macey Chief Engineer

### LIL CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

September 5, 1952

C

Gulf Coast Western Oil Co. Petroleum Building Oklahoma City 2 - Oklahoma

Attention: Mr. Lee Ford

Gentlemen:

P

We attach signed copy of Order R-179 issued in Case 354, and call your attention to its being scheduled for nearing again on October 15, 1952.

Very truly yours,

Y

W. B. Macey Chief Engineer

WBM:nr

cc: Mr. George Selinger Skelly Oil Co. Tulsu 2 - Oklahoma

> Mr. R. S. Dewey Humble Oil & Rfg. Co. Box 1600 Midland, Texas

## OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 9, 1952

 $\mathbb{C}$ 

Mr. Lee Ford Gulf Coast Western Oil Company Petroleum Building Oklahoma City, Oklahoma

O

Dear Mr. Ford:

March 18, 1952.

Reference is made to your latter of July 5 pertaining to Case 354.

With reference to the exhibits which have been introduced

P

in this case: Exhibit No. 1, which was introduced April 15, is a copy of a letter from the Earlougher Engineering Company to the Aurora Gasoline Company. Attached to the letter is a Core Summary signed by J. M. Robinson, engineer for Earlougher Engineering, plus a summary of core analyses data. The total number of pages, including the initial letter, is 14, and includes the Results of Permeability Tests, the Results of Laboratory Flooding Tests, Special Oil Flooding Tests, Summary of Coring Time, Results of Saturation Tests, and photographs of the cores. All of the exhibit is a photostat. Exhibit No. 2 is a letter from the Aurora Gasoline Company signed by M. S. Shiller, addressed to Dr. Willingham; the letter is dated

I hope that this information will answer your question. I believe that the profile and summary of the results of the core analyses have been introduced in the somewhat lengthy Exhibit No. 1.

I regret very much my inability to contact you in Oklahoma City, but a change in plans prevented my doing so. Hoping to see you next Monday -

Very truly yours,

W. B. Macey, Chief Engineer

WBM:nr

#### OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

And the

June 3, 1952

Mr. F. R. Henson Gulf Coast Western Oil Company Petroleum Building OKLAHOMA CITY 2 - OKLAHOMA

Dear Sir:

Reference is made to previous correspondence concerning your T. O. May Well No. 5, located in the Penrose-Skelly Pool.

In answer to your request in your letter of May 26, I am enclosing a copy of the transcript in Case 354, held April 15 and continued to May 20. I regret that we are unable to furnish you with any copies of the exhibits entered in the case; however, these exhibits will be available for your inspection at your convenience in our effices here in Santa Fe, and I would suggest that either you or one of your representatives come to Santa Fe the day before the hearing to inspect the exhibits.

I am also enclosing a copy of Order No. R-103 entered in Case 297, which was the order which oraginally granted the unorthodox location.

As these copies of the transcript are a part of our permanent file, we will appreciate your returning them to this office at your convenience.

Yours very truly,

W. B. Macey Chief Engineer

WBM:nr Encl.

P

Y



# **SKELLY OIL COMPANY**

PRODUCTION DEPARTMENT

**TULSA 2, OKLAHOMA** 

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER

J. H. McCULLOCH Chief Clerk

J. S. FREEMAN VICE PRESIDENT

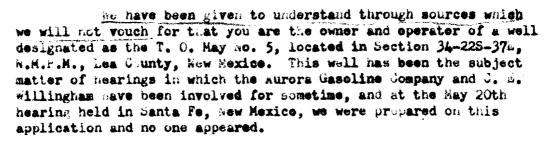
E. A. JENKINS GENERAL SUPERINTENDENT

June 2, 1952

he: Case 354

Gulf Coast \*estern Gil Company detroleum Building Sklahoma Gity, (Klahoma

Gentlemen:



The Gil Genservation Commission upon our request ordered the well shut down and the oil heretefore produced from this well has been charged against this well awaiting a final disposition of the matter. It was with great reluctance that we insisted on this course of action by the Commission in the absence of any appearances, and we stated to the Commission at that time that we would make a sincere effort to contact the owner and operator of the well to advise him to be present at the hearing to be held at Danta Fe on Thursday, June 19, and discharging our promise to the Gil Conservation Commission we are taking this means of advising you that skelly Gil Company and Humble Gil & Mefining Company will present testimony at that hearing so that final disposition can be made of this matter.

Yours very truly.

(Signed) GEORGE W. SELINGER

Umb: dd

George W. Selinger

cc: Ar. h. b. Bewey, Humble Gil & Refining Company, Midland, Texas
Mr. h. R. Spurrier, Gil Conservation Commission, Lanta Fe, New Mexico

GULF COAST WESTERN OIL CO.

PRODUCERS OF CRUDE OIL

PETROLEUM BUILDING

OKLAHOMA CITY 2, OKLA.

July 5, 1952

Mr. W. B. Macey, Chief Engineer,
Oil Conservation Commission.

In re: Case No. 354 - T. O. May No. 5, 1310' from N and E Lines, Section 34-22S-37E., Penrose-Skelly Pool, Lea County, New Mexico

We are exceedingly sorry that you were unable to visit our offices as an-

I know that the letter of September 12, 1951, addressed to the Aurora Gasoline Company, Wright Building, Tulsa, Oklahoma, under date of September 12, 1951, by the Earlougher Engineering was introduced as evidence and filed as an exhibit in the above numbered case, however, I do not believe that the profile and summary of the results of the core analysis were so introduced

Yours very truly,

GULF COAST WESTERN OIL CO.,

Land Department

and filed. Am I correct in this assumption?

Thanking you and with best wishes.

P. O. Box 871,

Dear Mr. Macey:

ticipated.

LF/1

Santa Fe, New Mexico.

Care 354

# **GULF COAST WESTERN OIL CO.**

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

## OKLAHOMA CITY 2, OKLA.

May 26, 1952

Mr. W. B. Macey, Chief Engineer New Mexico Oil Conservation Commission PO Box 871

Dear Sir:

Santa Fe, Yew Mexico

In response to your letter of May 23, 1952, with reference to our T. O. May lease, formerly owned by Dr. C. E. Willingham, being the NE $\frac{1}{4}$  of Sec 34-22S-37E, in the Penrose Skelly Pool, we kindly request that you supply us with the record of the case in this matter in order that we may prepare ourselves for the hearing to be had on the matter on June 19th.

Yours very truly,

GULF COAST WESTERN OIL CO.

F. R. Henson President

FRH:el

cc: Oil Conservation Commission, Hobbs, New Mexico



GULF COAST WESTERN OIL CO.

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

OKLAHOMA CITY 2, OKLA.

July 10, 1952

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

ATTENTION: Mr. W. B. Macey, Chief Engineer

Gentlemen:

In re: Case No. 354 - T. J. May No. 5, 1310' from N and E Lines, Section 34-225-37E., Penrose-Skelly Pool, Lea County, New Mexico.

At a meeting of the operators in Section 34-225-37E, Penrose-Skelly Pool, Lea County, New Mexico, held in the offices of the Skelly Oil Company, Hobbs, New Mexico, yesterday, July 9, 1952, at which there were present J. M. Dunlavey and Jim Cooper of Tulsa, Oklahoma, representing Skelly Oil Company, R. S. Dewey, of Midland, Texas, representing Humble Oil Company, and myself, F. R. Henson, representing Gulf Coast Western Oil Co., of Oklahoma City, Oklahoma, a proposed pilot water flooding project was discussed and tentative agreement reached unanimously between all the operators in Section 34.

As a result of this conference all of the operators in Section 34, viz.: Skelly Oil Company, Humble Oil Company and Gulf Coast Western Oil Co., reached an agreement to request the notification of the Oil Conservation Commission of the State of New Mexico that it is the desire of the said operators that Case No. 354, relating to the request of Gulf Coast Western Oil Co. for permission to produce the T. O. May No. 5 well, be continued indefinitely from the date of July 15, 1952, at which time the Case is set to be heard before the Commission, and that the temporary allowable on the T. O. May No. 5 well be immediately restored.

It was also agreed that the Commission be requested that both the indefinite continuance of the hearing and the temporary allowable for the Gulf Coast Western Oil Co. T. O. May No. 5 remain so until any one of said three operators may request the allowable be discontinued, and/or the said Case be set down for hearing before the Commission.

It is assumed by the Gulf Coast Western Gil Co. that this action on the part of all interested parties will make it unnecessary for appearance at the proposed hearing on this issue set for Tuesday, July 15, 1952, either for the purpose of hearing or restoration of the temporary allowable on the T. C. May No. 5 well.

If we are not correct in this assumption, will you kindly advise

immediately by collect Western Union telegram in order that we may make preparation and be represented at the hearing on July 15th.

Yours very truly,

GULF COAST WESTERN OIL CO.,

R. Henson

President

FRH:el

cc: Mr. A. L. Porter, Jr.
Proration Manager of
New Mexico Oil Conservation Commission,
Box 2045,
Hobbs, New Mexico.

Skelly Oil Company, Box 38, Hobbs, New Mexico, Attention: Mr. J. M. Dunlavey

Skelly Oil Company, Skelly Building, Tulsa, Oklahoma, Attention: Mr. Jim Cooper

Humble Oil Company, Box 1600, Midland, Texas, Attention: Mr. R. S. Dewey

Care 354

## HUMBLE OIL & REFINING COMPANY

#### MIDLAND, TEXAS

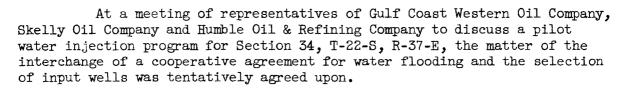
July 10, 1952

J. W. HOUSE

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

Attention of Mr. R. R. Spurrier, Secretary

Dear Sir:



It was agreed that pending the execution of a cooperative agreement for water flooding, each operator would request that the Conservation Commission of New Mexico would indefinitely postpone the hearing set for July 15, 1952, on Case 354. This case concerns the request for permission to produce the T. O. May No. 5 well, 1310 feet from the north and east lines, Section 34, T-22-S, R-37-E, Penrose-Skelly Pool, Lea County, New Mexico. This well was formerly operated by C. E. Willingham, now by Gulf Coast Western Oil Company. It was further agreed, that each operator would request that the Conservation Commission of New Mexico would grant a temporary allowable to permit said well to produce to capacity until such time that the Commission is requested by either Skelly Oil Company or Humble Oil & Refining Company to reset Case 354 for hearing.

Humble Oil & Refining Company hereby requests the postponement for an indefinite period of time on the hearing of Case 354 and the granting of a temporary allowable for T. O. May well No. 5 until such time that Case 354 may be reset for hearing by either Skelly Oil Company or Humble Oil & Refining Company.

Yours very truly,

HUMBLE OIL & REFINING COMPANY

J. W. HOUSE

RSD/rs

cc: Mr. George Selinger, Skelly Oil Co., Tulsa, Oklahoma

Mr. F. R. Henson, Gulf Coast Western Oil Co., Oklahoma City, Oklahoma

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

Mr. W. E. Hubbard, Humble Oil & Refg. Co., Houston, Txas

Mr. T. J. Fuson, Humble Oil & Refg. Co., Houston, Texas

OK Wom

**GULF COAST WESTERN OIL CO.** 

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

OKLAHOMA CITY 2, OKLA.

July 11, 1952.

Mr. W. B. Macey, Chief Engineer, Oil Conservation Commission, P. O. Pox 871, Santa Fe, New Mexico.

Dear Mr. Macey:

Tr. re: Case No. 354 - T. O. May No. 5, 1310' from N and E Lines, Section 34-22S-37E., Penrose-Skelly Pool, Lea County, New Mexico.

You will have received, ere this letter reaches your desk, Mr. F. R. Henson's letter of July 10 addressed to your attention.

Inasmuch as a tentative agreement has been reached between the three Operators in Section 34-22S-37E for a water flooding project and the Commission has been requested to postpone the July 15 hearing in Case No. 354 and to restore the temporary allowable under our T. O. May No. 5 pending developments, we are wondering if will be possible for us to obtain photostatic copies of Exhibits 1 and 2 as introduced in said case at the April 15, 1952 hearing.

Regrettably, we find that Tr. C. E. Willingham, from whom we acquired the property, was funished only one photostatic copy of the Core Summary, Summary of Core Analyses Data, Results of Permeability Tests, Results of Laboratory Flooding Tests, Special Oil Flooding Tests, Summary of Coring Time, Results of Saturation and photographs of the cores, and, subsequently, same were filed as Exhibit 1 in said case. You will agree that such data will be of tremendous assistance to us in developing the proposed water flooding project. We doubt that your regulations will permit you to remove same from your official file and transmit to us for photostating, which, of course, would simplify matters, therebre, we are wondering if it would be possible for you to procure the photostats and forward to us. If this may be done, will you kindly advise the cost and check will be mailed immediately. Your kind assistance in this matter will be profoundly appreciated.

We are disappointed to learn that time and plans would not permit you to visit our offices when recently in our City and sincerely trust that you had a most enjoyable trip.

Mr. W. R. Macey, Chief Engineer - 2 - July 11, 1952.

Thanking you and with kindest personal regards,

Yours very truly,

GULY COAST WESTERN OIL CO.,

Lee Ford, Land Department

LF/1.

Cose 354

Oil Charles and Carling SSION

## **GULF COAST WESTERN OIL CO.**

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

## OKLAHOMA CITY 2, OKLA.

July 11, 1952

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

Attention: Mr. W. B. Macey, Chief Engineer

Gentlemen:

IN re: Case No.354 - T. O. May No. 5,1310' from N and E Lines, Section 34-22S-37E, Penrose-Skelly Pool Lea County, New Mexico

Due to our unfamiliarity with the rules of your Commission, we have asked for an indefinite postponement of the above referred to hearing, and we find this morning that a postponement cannot be made indefinitely.

We are therefore amending our request of July 10, 1952, to read "a ninety (90) day postponement of the hearing", which is set to be heard on July 15, 1952, in this case.

Yours truly,

GULF COAST WESTERN OIL CO.

F. R. Henson, President

FRH:el

cc: Mr. 4. L. Porter, Jr.
Proration Manager
New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Skelly Oil Company
Box 38 Hobbs, New Mexico
Attn: Mr. J. M. Dunlavey

Skelly Oil Company Skelly Building, Tulsa, Oklahoma Attn: Mr. Jim Cooper

Humble Oil Company
Box 1600, Midland, Texas
Attn: Mr. R. S. Dewey



Co., 354

# **SKELLY OIL COMPANY**

#### PRODUCTION DEPARTMENT

J. S. FREEMAN VICE PRESIDENT

E. A. JENKINS
GENERAL SUPERINTENDENT

### **TULSA 2.OKLAHOMA**

July 10, 1952

- W. P. WHITMORE
  CHIEF PETROLEUM ENGINEER
- G. W. SELINGER
  PROPATION ATTORNEY
- J. H. McCULLOCH CHIEF CLERK

Re: Case 108, CONSTRUCTION COMMISSION

Mr. R. A. Spurrier Oil Conservation Commission Box 871 Santa Fe, New Mexico

Dear Sir:

As you are aware this continued hearing is set for 9:00 A.M. July 15, 1952, with respect to Gulf Coast Western Oil Company's T. O. May No. 5 Well in the Penrose Skelly Pool.

A sincere effort is being made between the interested parties; namely, Gulf Coast Western Gil Company, Humble Gil & Refining Company, and Skelly Gil Company with respect to a cooperative institute of pilot water flood, and a meeting of the three interested parties has already been reached to the effect that immediate steps will be taken towards the goal of a pilot water flood program.

Since this will consummate some time, the three interested parties have agreed for the hearing on Case No. 354 to be continued for approximately 90 days, and we suggest the October 15th hearing as the date for a further continuance of Case 354. In order to permit a diligent effort towards such pilot water flooding, Skelly Oil Company is agreeable for the Commission to permit the opening of the T. O. May No. 5 Well for production purposes and to assign a temporary allowable until the October 15 hearing. It is understood that this cooperative venture and agreement as to temporary allowable will in nowise affect the rights of any the parties involved.

We will be glad to take this cooperative step with our neighbors to the end that this matter can be amicably settled.

Yours very truly

Bay W Selmiger George W. Selinger

GMS: dd

cc: Mr. F. R. Henson, Gulf Coast Western Cil Co., 916 Petroleum Bldg., Oklahoma City, Cklahoma.

Mr. R. S. Dewey, Humble Cil & Refining Co., Box 1600, Midland, Texas

Mr. Dunlayey



# **SKELLY OIL COMPANY**

PRODUCTION DEPARTMENT

E. A. JENKINS GENERAL SUPERINTENDENT

J. S. FREEMAN VICE PRESIDENT **TULSA 2, OKLAHOMA** 

September 17, 1952

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

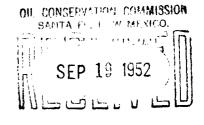
G. W. SELINGER
PRORATION ATTORNEY

J. H. McCULLOCH CHIEF CLERK

Re: Case No. 354

Mr. William Macey
Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Dear Sir:



We are in receipt of a copy of Order No. R-179, issued in Case No. 354, with respect to the application of Gulf Coast Western Oil Company (successors to C. E. Willingham) for a pilot water project in the Penrose Skelly Pool. Under the terms of the order, at the regular monthly hearing of the Commission to be held on October 15, 1952, the case will be heard again and a further determination made as to the future allowable of a well which was drilled as a test well to determine the feasibility of water flooding the producing horizon in the Penrose Skelly Pool.

Since the matter was initiated, Humble Oil & Refining Company, the applicant, Gulf Coast Western Oil Company et al, and Skelly are in the process of working out a cooperative pilot water flood project, and we desire in this same case the hearing to be enlarged for the joint cooperative parties presenting a cooperative pilot injection program. The three cooperative parties, we believe, will be in a position to present additional information at the October 15 Hearing.

Yours very truly.

GWS: dd

cc: Gulf Coast Western Oil Company, Oklahoma City, Oklahoma Humble Oil & Refining Company, Midland, Texas Mr. Dunlavey

## GULF COAST WESTERN OIL CO.

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

## OKLAHOMA CITY 2, OKLA.

July 17, 1952

Mr. W. B. Macey, Chief Engineer, Oil Conservation Commission, P. O. Box 871, Santa Fe, New Mexico.

Dear Mr. Macey:

LF/f

In re: Case No. 35h - T. O. May No. 5, 1310' from N and E Lines, Section 3h-22S-37E., Penrose-Skelly Pool, Lea County, New Mexico.

We hasten to return herewith Exhibit No. 1 in captioned case, consisting of thirtsen (13) photostatic pages.

Though we hesitate to further encroach upon your goodness, we should like a copy of Exhibit 2, being the letter from the Aurora Gasoline Company, over the signature of M. S. Shiller, and addressed to Dr. Willingham under date of March 18, 1952. This may be only a typewritten copy, — we might as well include your charming and competent Secretary in our debt of gratitude.

We are most grateful for your kindness in this matter and the writer sincerely trusts that he may have the pleasure of visiting with you in the very near future and personally expressing our appreciation.

Yours very truly,

GULF COAST WESTERN OIL CO..

Land Department.

Enclosures: Exhibit 1 - 13 phtostatic copies

# **GULF COAST WESTERN OIL CO.**

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

## OKLAHOMA CITY 2, OKLA.

September 19, 1952

Skelly Oil Company Skelly Building Tulsa 2, Oklahoma

Attention: Mr. George W. Selinger

Gentlemen:

RE: Case #354 Oil Conservation Commission State of New Mexico

Chre 354

We are in receipt of a carbon copy of your letter of September 17, 1952, addressed to Mr. William Macey, Oil Conservation Commission, Santa Fe, New Mexico, referring to Order No. R-179 issued in Case No. 354.

We note that you have requested of the Commission that the hearing set for October 15, 1952, in the above referred to case, be enlarged for presenting a cooperative pilot injection program. You state that the three cooperative parties, vis: Skelly Oil Company, Humble Oil & Refining Company, and Gulf Coast Western Oil Co., will be in position to present additional information on the pilot injection program at the October 15th hearing.

We believe that the cooperative agreement should be agreed upon and executed by the three cooperative parties before a hearing is had upon the matter. Since we have had under consideration such cooperative agreement, we suggest that a final draft of the same be made and submitted for execution at an early date.

We will object to this matter being taken up before the Commission until such time as we have had an agreement between the parties as to what we intend to do and now it should be done in this pilot water flooding project.

Yours truly,

GULE COAST HESTERN OIL CO.

F. R. Henson, President

File :al

cc: Mr. Jim Cooper, Skelly Oil Company, Tule a

cc: Mr. Dumlavey, Humble Oil & Mefining Company, Midland, Texas

cc: Mr. William Macey, Oil Conservation Commission, Mabry Hall, Senta Fe, N.M.



# SKELLY OIL COMPANY

PRODUCTION DEPARTMENT

J. S. FREEMAN VICE PRESIDENT

A. JENKINS GENERAL SUPERINTENDENT

**TULSA 2, OKLAHOMA** 

October 1, 1952

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER
PRORATION ATTORNEY

J. H. McCULLOCH CHIEF CLERK

Case No. 354

Mr. R. k. Spurrier Cil Conservat on Commission 3ox 871 Banta Pe, New exico

Dear Sir:

Supplementing our letter of September 17 addressed to hr. Macey in referring to Order No. H-179 in Case 354, and with respect to docket of cases set for 9:00 a.m. October 15, 1952, please be advised that Case No. 354 should be continued to the hovember 20 hearing due to the fact that operators have not had sufficient time to work out the cooperative program, and therefore the present status quo should be continued to the Hovember 20 hearing, or until such time as a final deposition can be had of the matter.

We will endeavor to have the cooperative agreement executed by the hree cooperative parties before a hearing is had on the matter, which we hope to have accomplished prior to the Hovember 20 hearing.

G'S:dd

cc: Gulf Joast Western (il Jompany Attention: Mr. F. R. Henson Petroleum Building Oklahoma City 2, Oklahoma

> Mr. A. J. Dewey Humble (il & Refining Jompany Midland, Texas

Mr. Dunlavey

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## **GULF COAST WESTERN OIL CO.**

PRODUCERS OF CRUDE OIL
PETROLEUM BUILDING

## OKLAHOMA CITY 2, OKLA.

October 4, 1952.

CAJC 354

Mr. R. R. Spurrier, Secretary and Director, New Mexico Oil Conservation Commission, P. O. Box 871, Santa Fe, New Mexico.

Dear Sir:

In re: Case No. 354 - T. O. May No. 5, Sec. 34-22S-37E., Penrose Skelly Pool, Lea County, New Mexico.

We are in receipt of copy of letter of October 1 addressed to you by Mr. George W. Selinger, Proration Attorney for the Skelly Oil Company, requesting that the hearing under captioned Case for October 15 be continued to the November 20 meeting.

We are assuming that the request will be acted upon favorably by the Commission and that we will be permitted to produce our T. O. May No. 5 under the temporary allowable. If we are wrong in this assumption, kindly advise us immediately so that we may govern ourselves accordingly.

Best regards

Yours very truly,

GULF COAST WESTERN OIL CO.,

FRH/f.

cc: Mr. George W. Selinger,
Proration Attorney,
Skelly Oil Company,
Tulsa 2, Oklahoma.

Mr. R. S. Dewey, Humble Oil and Refining Company, P. O. Box 1600, Midland, Texas. President



Dec. 16 hearing

# **SKELLY OIL COMPANY**

#### PRODUCTION DEPARTMENT

- J. S. FREEMAN VICE PRESIDENT
- E. A. JENKINS GENERAL SUPERINTENDENT

#### **TULSA 2.OKLAHOMA**

October 29, 1952

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER

J. H. McCULLOCH CHIEF CLERK

ke: Pilot water Flooding Section 34-225-37E Penrose Skelly Pool Lea County, New Mexico

Cil Conservation Commission State of New Mexico Santa Fe, Lew Mexico

Gentlemen:

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

OCT 31 1952

By means of this application, Skelly Cil Company wishes to state the following:

- 1. That heretofore the Commission has granted permission for pilot water flooding to an operator in this pool resulting in issuance of orders which are on file with this Commission. That the latest Order No. R-179, in Case 354, has been issued by this Commission to the Gulf Coast Western Oil Company, as successors to C. A. Willingham.
- 2. That said Jase No. 354 has been continued from time to time with the latest continuance set for Thursday, November 20, 1952.
- 3. That this application seeks to supplant, amend, modify, and continue such matters as reflected in Case 354, from a proposed pilot water flood by a single operator to one of a joint cooperating water flooding program on behalf of Gulf Coast Western Oil Company, Humble Oil & Refining Company, and Skelly Oil Company.
- 4. That applicant, on behalf of the three companies, desires to embark on such a joint water flooding project in the Queen Sand, which is the oil producing reservoir in the Penrose Skelly Pool, on a pilot water flooding basis in Section 34, Township 22 South, Range 37 East, and such other adjoining sections which may be necessary to be made a part of the program as may be indicated by the evidence to be presented at this hearing.
- 5. That the proposed pilot water flood project is to determine the feasibility of water flooding the producing horizon in the Penrose Skelly Pool as a secondary recovery program, which if successful will result in the recovery of additional amounts of oil and gas which might otherwise not be recovered.

6. That such a program is in the interest of conservation in that if successful an ultimately greater amount of oil and gas would be recovered, and that such a program would not violate any of the correlative rights of the cooperating companies or the rights of any other operator in this pool.

Therefore, the Skelly Oil Company, on behalf of itself and its cooperating offset operators as hereinbefore mentioned, requests that the Oil Conservation Commission set this application down for hearing on November 20, as a supplement to the two cases continued in Order No. R-179, Case 354, and permit a pilot water flooding project to determine the feasibility of water flooding the Queen producing horizon in the Penrose Skelly Pool.

hespectfully submitted,

SKALY OIL COMPANY

George W. Selinger

GNS: dd

cc: Gulf Coast Western Cil Company Cklahoma Jity, Cklahoma

Humble Gil & Refining Company Ridland, Texas

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	FULL RATE		-		
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# WESTERN UNION

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FULL RATE	LETTER TELEGRAM	
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Send the following message, subject to the terms on back hereof, which are hereby agreed to

MR GEORGE SELINGER SKELLY OIL CO TULSA OKLAHOMA

OCT 27 1952

UPON RECEIPT OF PROPER APPLICATION FOR WATER FLOODING WE WILL AD-VERTISE AND CIRCULATE. SPECIFY AREA INVOLVED.

R R SPURRIER

CLASS OF SERVICE

his is a full-rate l'elegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

SYMBOLS

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ROW R SPURRIER; NEW MEXICO OIL CONSERVATION COMMISSION=
MABRY HALL SANTAFE NMEX=

AS PREVIOUSLY REQUESTED WE DESIRE CSE 354 CONTINUED CASE FOR PILOT WATER FLOODING PROJECT ON BEHALF OF SKELLY, HUMBLE AND GULF COAST WESTERN IN PENROSE SKELLY POOL; LEA COUNTY TO BE HEARD AT THE NOVEMBER 20 HEARING. WOULD APPRECIATE ADVICES OF SUCH CASE BEING HEARD ON NOVEMBER 20 BEING CORRECTIONS OF SECOND SELECTION OF SECOND CORRECTIONS OF SECOND C

:354 20 20=

THE COMPANY WILL APPRECIATE SPOOTS

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			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

DECEMBER 1 1952

MR GEORGE SELINGER SKELLY OIL COMPANY TULSA OKLAHOMA

CASE 354 READVERTISED FOR DECEMBER 16 HEARING

R R SPURRIER



**CA49 KA170** 

R R SPURRIER; OIL CONSERVATION COMMISSION NOV 28 PM 12 00
MABRY HALL SANTA FE NMEX=

PLEASE CONSIDER OUR LETTER OF OCTOBER 29 AS APPLICATION FOR PILOT WATER FLOODING IN SECTIN 34-228-37E. PENROSE SKELLY POOL ON BEHALF OF GULF COAST WESTERN OIL COMPANY, HUMBLE AND SKELLY. AND IN LINE WITH YOUR LETTER OF NOVEMBER 5 ISSUE NOTICES AND HAVE MATTER SET FOR HEARING ON DECEMBER 16, 1952. PLEASE ADVISE.

GEORGE W SELINGER SKELLY OIL CO.

### OIL CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

## January 21, 1953

Gulf Coast Western Oil Company Petroleum Building Oklahoma City, Oklahoma

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Gentlemen:

We attach a copy of Order R-179-A issued by the Commission on January 15, 1953, in Case 354.

P

Yours very truly,

Y

R. R. Sperrier Secretary - Director

RRSinr

oc: Humble Oil & Rfg. Co., Midland Attention: Mr. John House

Skelly Oil Company, Tulsa Attention: Mr. George Selinger

## OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

### November 5, 1952

Skelly Oil Company Box 1650 Tulsa 2, Oklahoma

Attention: Mr. George W. Selinger - Proration Attorney

Gentlemen:

Application regarding your Pilot Water Flooding, Sec. 34, 22-S - 37-E. Lea County, New Mexico, was received in this office October 31, 1952. The request that this matter be heard at the next regularly scheduled hearing of the Commission, which is November 20, 1952, must be denied.

In order for the Commission to legally advertise a case and to permit the Commission time to study an application, it has been made a policy that applications must be submitted to this office at least thirty days before a regular hearing.

Therefore, your application will be scheduled for the hearing on December 16, 1952.

Very truly yours,

R. R. Spurrier Secretary - Director

lh cc:

Gulf Coast Western Oil Company Oklahoma City, Oklahoma

Humble Oil and Refining Company Midland, Texas