

Case No.

2173

Application, Transcript,  
Small Exhibits, Etc.

APPLICANT OF NATURAL GAS  
CORPORATION, FOR AN ORDER  
ESTABLISHING A 322.481 ACRE  
GAS PRODUCTION UNIT, COMPOSED  
OF THE S $\frac{1}{2}$  OF SECTION 21,  
TOWNSHIP 18 SOUTH, RANGE 26  
EAST, N.M.P.M., EDDY COUNTY,  
NEW MEXICO, INsofar AS THE  
FORMATION LYING BETWEEN THE  
UPPER AND LOWER LIMITS OF THE  
PENNSYLVANIAN GAS FORMATION  
IS AFFECTED, AND THE POOLING  
OF THE INTERESTS THEREIN.

No. 2173

*John  
Perr.*

1. Yates Petroleum Corporation, as operator, entered into an operating agreement and a gas pooling agreement with Len Mayer, W. J. Jackson, A.K. and George Gee, on the 29th day of October, 1950. This agreement designated the Dayton Townsite Gas Unit No. 2, which covers 322.481 acres, composed of the S $\frac{1}{2}$  of Section 21, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, insofar as only insofar as the same covers the formation lying between the upper and lower limits of the Pennsylvanian gas producing formation in said area. said agreements are effective only as to the gas and associated hydrocarbons produced from operators well, which is now being drilled by Yates Petroleum Corporation. Bob Smith No. 1 well, and located 1650 feet from the south line and 100 feet from the east line of said Section 21; that a plat of said unit is attached to this order as Exhibit "A".

2. The entire S $\frac{1}{2}$  of said Section 21 has been found to contain natural gas and is hereby declared an mineral interest. The pooling agreement and the operating agreement are hereby approved and the same are hereby declared binding on all persons who own or claim an interest in the gas and hydrocarbons in said Section 21, or in any part thereof, not covered by any other pooling agreement, and of adjoining land persons, and the same are hereby declared binding on all persons.

*W. J. Jackson  
George Gee*

W. M. ...

Box 101  
Midland, Texas

J. B. ...

Box 1017  
Carlsbad, New Mexico

Wm. H. Swearingen

Box 93  
Santa Fe, New Mexico

Smith A. Crane

C/O Mrs. Myrtle M. Wagner  
Route 2, Box 267  
Sequim, Washington

Frank E. Coon

2121 Summit Avenue  
Baltimore 6, Maryland

M. P. Escobar

13227 So. San Antonio Drive  
Norwalk, California

Olive S. ...

1214 Moreland  
Jefferson City, Missouri

Pan American Petroleum

Box 268  
Lubbock, Texas

*Book to  
7 Mailed  
1-30-61  
H*

That copies of this application have been mailed to each of said parties.

3. That the following named parties have executed certain oil and gas leases, which do contain pooling clauses, but the said pooling clauses can be construed so as not to permit the pooling thereof into units as large as 800 acres; that the number of acres covered by said leases total 23,415 acres; the names and addresses of said lessors being described as follows:

NAME	ADDRESS
...	771 West Independence, Missouri
...	Box 171 Oklahoma
...	101 East ... The ... New ...
...	C/O ... ... California, California

*Book to  
7 Mailed  
1-30-61  
H*

The applicant further ... of a ... lease ... of their said lease into a gas ...

shall be required to include in said 21,481 acre gas production unit composed of the S $\frac{1}{2}$  of Section 21, Township 18 South, Range 26 East, N.M.P.M., Dealy County, New Mexico and approving the same as the Dayton Townsite Gas Unit No. 2.

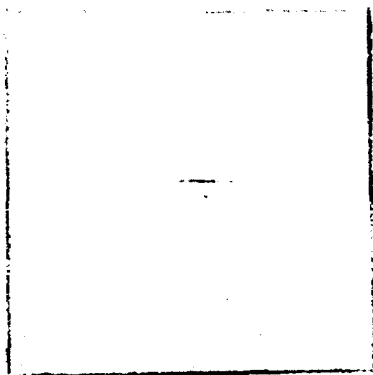
Applicant further requests that the Commission, upon proper findings of fact and conclusions of law, enter its order requiring forced pooling of all royalty and overriding royalty interests of those parties mentioned in paragraph 3 hercof, who have not consented to this pooling amendment of their leases.

Applicant further requests that the Commission, upon proper findings of fact and conclusions of law, enter its order permitting the applicant to produce the gas and associated hydrocarbons from the full unit area, and to hold, in suspense, all proceeds attributable to each of the tracts owned by those persons described in paragraph 2 hercof, until such time as said parties have paid their respective, pro-rata costs of development or, that the applicant be permitted to retain such share of the proceeds from production until such time as such said share of such proceeds shall equal such percentage of such respective shares of development cost as the Commission shall determine to be equitable, or such other and further orders as the Commission shall decide to enter in this case.

Respectfully submitted this 10th day of January, 1961.

DAYTON TOWNSITE CORPORATION

By *J. J. Bates*  
President





309 CARPER BUILDING  
ARTESIA, NEW MEXICO

S P YATES  
PRESIDENT  
HARVEY E. YATES  
VICE PRESIDENT  
MARTIN YATES, III  
VICE PRESIDENT  
JOHN A. YATES  
SECRETARY  
HUGH W. PARRY  
TREASURER

February 10, 1961

UNLEASED MINERALS

Re: Case 2173, South Half of Section 21,  
Township 18 South, Range 26 East,  
Atoka Penn Gas Pool.

J. W. Potter

Lots 1,3,5,7,9,11,13,15,17,19,21,23,  
Block 7, Original Town of Dayton,  
containing 1.6138659 acres, more or less

J. N. Hawkins

School block in Original Town of  
Dayton in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 21,  
Township 18 South, Range 26 East,  
containing 2.0661157 acres, more or  
less

Wm. H. Swearingen

A tract in SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ , containing  
.79150596 acres, more or less

Mrs. Olive S. Harrison

Lots 27 and 28, Block 11, North Dayton  
Addition, containing .18 acres, more  
or less

Smith B. Crane

Lot 5, Block 23, North Dayton Addition,  
containing .19 acres, more or less

A. F. Escobar

Lot 31, Block 5, North Dayton Addition,  
containing .09 acres, more or less

Frank F. Coon

Lot 13, Block 24, North Dayton Addition,  
containing .09 acres, more or less

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LEASES WITHOUT ADEQUATE POOLING PROVISION

Solomon Gallegos

Lots 9 and 11, Block 2, North Dayton  
Addition, containing .18 acres, more  
or less



309 CARPEN BUILDING  
ARTESIA, NEW MEXICO

S. P. YATES  
PRESIDENT  
HARVEY E. YATES  
VICE PRESIDENT  
MARTIN YATES, III  
VICE PRESIDENT  
JOHN A. YATES  
SECRETARY  
HUGH W. PARRY  
TREASURER

February 10, 1961

Page 2

J. R. Raymond

Lot 6, Block 2; Lot 6, Block 5;  
Lot 19, Block 6; Lot 14, Block 7;  
North Dayton Addition, NE $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
Section 21, Township 18 South,  
Range 26 East, containing .36 acres,  
more or less

Pinnell, Hill and Martin

S $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$  and a meets and bounds  
tract lying between Gage Street  
and the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ ,  
Section 21, Township 18 South,  
Range 26 East, containing 21.89  
acres, more or less

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 2/13/61

CASE 2173

Hearing Date 2/8/61 9am DSN SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order for pooling all mineral interests within the Atoka Pennsylvanian Gas Pool underlying a 322.481 acre gas production unit comprising the S/2 of Sec 21, T 18 S, R 26 E, Eddy Co., N. Mex.

Provide that <sup>with</sup> ~~operator~~ <sup>operator may hold the WI interest</sup> ~~share of total production of~~ any person owning an interest in said unit ~~shall~~ until that party's share of the well costs have been paid, provided however that no part of any royalty interest owned by such party may be withheld.

Hold order pending receipt of map (Exhibit 1) from applicant.

*San Butler*  
Examiner



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

DT - Day Letter  
NL - Night Letter  
IT - International  
LT - Letter Telegram

The filing time shown on the date line of a message telegram is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA226 DB370

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A L PORTER, SECRETARY DIRECTOR NEW MEXICO OIL CONSERVATION  
COMMISSION= SANTA FE NMEX=

CASE NOO. 2173, DOCKETED FOR EXAMINER HEARING ON WEDNESDAY,  
FEBRUARY 8, 1961, IS YATES PETROLEUM CORPORATIONS  
APPLICATION FOR AN ORDER FORCE HOOLING A STANDARD GAS  
PRORATION UNIT CONSISTING OF THE S/2 OF SECTION 21, T-18-S  
R-26-E, ATOKA PENNSYLVANIAN GAS POOL, EDDY COUNTY, NEW  
MEXICO. PAN AMERICAN PETROLEUM CORPORATION HAS ALREADY  
VOLUNTARILY POOLED ITS ACREAGE IN THE S/2 OF SECTION 21  
WITH YATES PETROLEUM CORPORATION ACREAGE FOR THE PURPOSE OF  
DRILLING A WELL IN THE ATOKA PENNSYLVANIAN GAS POOL. PAN  
AMERICAN RECOMMENDS THIS APPLICATION BE APPROVED. PLEASE  
READ THIS TELEGRAM INTO THE RECORD OF THE HEARING.

ALEX CLARKE JR PAN AMERICAN PETROLEUM CORP==

DOCKET: EXAMINER HEARING WEDNESDAY FEBRUARY 8, 1961

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as alternate examiner:

CASE 2171: Application of Amerada Petroleum Corporation for permission to commingle the production from several separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Justis-Blinebry, Justis-Drinkard, Justis-Fusselman, and an undesignated 5000 foot pay zone from all wells presently completed or hereafter drilled on the Ida Wimberley Lease comprising portions of Sections 24, 25 and 26, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.

CASE 2172: Application of Rice Engineering & Operating, Inc. for a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Gulf Houston Well No. 1, located 1980 feet from the South and East lines of Section 19, Township 12 South, Range 38 East, Lea County, New Mexico, with injection to be in the Devonian formation in the interval from 12,200 feet to 12,500 feet.

CASE 2173: Application of Yates Petroleum Corporation for an order force-pooling a 322.4-acre gas proration unit in the Atoka-Pennsylvanian Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the S/2 of Section 21, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include J. N. Hawkins, J. W. Potter, William H. Swearingen, Smith B. Crane, Frank F. Coon, A. F. Escobar, Olive E. Harrison, Pan American Petroleum Corporation, Mayme Ressinger, J. R. Raymond, Isabell Gallegos, Alice Heck Martin, Maze Heck Pinnell, Wave Heck Hill.

- CASE 2174: Application of Yates Petroleum Corporation for an order force-pooling a 322.2-acre gas proration unit in the Atoka-Pennsylvanian Gas Pool. Applicant, in the above styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the N/2 of Section 28, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include William H. Sweeringer, Alice Heck Martin, Maze Heck Pinnell, Wave Heck Hill, J. W. Potter, James W. Hall and Mrs. Lucille Ruddell South.
- CASE 2175: Application of Sunray Mid-Continent Oil Company for an oil-oil dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "Y" Well No. 1, located in Unit G, Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch casing cemented in a common well bore.
- CASE 2176: Application of Honolulu Oil Corporation for a pressure maintenance project. Applicant, in the above-styled cause, seeks an order authorizing it to install a pressure maintenance project in the Horseshoe-Gallup Oil Pool by the injection of water into the Gallup formation through its Navajo Well No. 4, located in the SE/4 SE/4 of Section 5, Township 31 North, Range 17 West, San Juan County, New Mexico. Applicant further seeks the adoption of special rules governing the operation of said project.
- CASE 2177: Application of Phillips Petroleum Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Corbin-Abo Pool production from all wells presently drilled or hereafter completed on the Eilliams Federal Lease comprising portions of Sections 33 and 34, Township 17 South, Range 33 East, Lea County, New Mexico.
- CASE 2178: Application of Humble Oil & Refining Company for permission to commingle the production from several separate leases and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the

CASE 2178. (Cont.)

Horseshoe-Callup Oil Pool production from all wells presently completed or hereafter drilled on the Navajo "F" lease, comprising all of Sections 3, 4, 9, and 10; the Navajo "G" lease, comprising all of Sections 1, 2, 11 and 12; and the Navajo "M" lease, comprising the NE/4 of Section 5, all in Township 31 North, Range 17 West, San Juan County, New Mexico. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.

CASE 2179:

Application of Drilling and Exploration Company, Inc. for approval of the Mescalero Ridge Unit Agreement. Applicant, in the above-styled cause, seeks approval of the Mescalero Ridge Unit Agreement, which unit embraces 7521 acres of Federal and State lands in Township 19 South, Range 34 East, Lea County, New Mexico.

CASE 2180:

Application of Great Western Drilling Company for an order force-pooling a 40-acre proration unit in the Eumont Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Eumont Gas Pool in the SE/4 NE/4 of Section 32, Township 19 South, Range 37 East, Lea County, New Mexico. Interested parties include Dr. Hans May, B. A. Bowers, Estate of George F. Henneberry, William R. Kershaw, C. B. Neal, Fred Manley, Mae Williams, and W. L. Crutchfield.

CASE 2181:

Application of Gulf Oil Corporation for approval of the Hackberry Hills Unit Agreement. Applicant, in the above-styled cause, seeks approval of the Hackberry Hills Unit Agreement, which unit embraces 13,920 acres in Townships 21 and 22 South, Ranges 25 and 26 East, Eddy County, New Mexico.

GOVERNOR  
JOHN BURROUGHS  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission

LAND COMMISSIONER  
MURRAY E. MORGAN  
MEMBER

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

P. O. BOX 871  
SANTA FE

February 22, 1961

Mr. Jason Kellahin  
Kellahin & Fox  
Box 1713  
Santa Fe, New Mexico

Re: Case No. 2173 and 2174  
Order No. E-1880 and E-1881  
Applicant:  
Yates Petroleum Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC       x        
Artesia OCC       x        
Aztec OCC           

Other

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 26, 1961

Mr. Frank F. Coon  
2121 Summit Avenue  
Baltimore 6, Maryland

Dear Mr. Coon:

Governor Mechem has handed me your letter of April 19, 1961, in which you have requested information on the status of your property in Eddy County, New Mexico, relative to the recent force-pooling order issued by the Oil Conservation Commission.

By Commission Order No. R-1880, a copy of which is enclosed, all of the mineral interests in the S/2 of Section 21, Township 18 South, Range 26 East, R-26E, Eddy County, New Mexico, were force-pooled to form a 322.5-acre gas proration unit, which unit was dedicated to a well operated by the Yates Petroleum Corporation located on that acreage.

This order was issued pursuant to Section 65-3-14 (c) of the New Mexico Statutes Annotated, 1953 Compilation, and its effect is to place the mineral interest in your acreage into a common pool with the mineral interests of all other persons in the 322.5-acre unit in order that a well can be economically drilled and assigned a full allowable. Were it not for this law and its resulting effect on small and large mineral interests alike, it might prove impossible in certain instances to ever drill a well on a unit where the ownership is diverse.

The effect of this force-pooling order upon you is to recognize you as a royalty owner to the extent of 1/8 of your proportionate interest in the 322.5-acre tract and to recognize you as the owner of what is termed a working interest in the remaining 7/8 of your proportionate interest in the unit. As you will note in the order, this means that

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

April 26, 1961

Mr. Frank F. Coon  
Baltimore 6, Maryland

you will receive payment, without charge for operating costs, for your royalty interest beginning with the first cubic foot of gas that is produced from the well on the unit. You will also receive payment for your working interest, but rather than receiving any money immediately, this payment will be delayed until 125 per cent of your proportionate share of the well costs have been paid out of money from the production of gas. It is possible, and even probable, that in several years the well will be paid for and you will then begin receiving payments for your working interest. These payments, when received, will be seven times as great as the amount you will be then receiving for your royalty interest.

As you see, the concept of force-pooling and its application in this case does not in any way deprive you as a mineral interest owner from just compensation for the oil and gas under your land. In fact, were it not for this order, it is quite probable that you would never derive any benefit from your mineral interest ownership in this land. It might be pointed out that force-pooling affects only the mineral interest ownership and does not in any way affect the surface ownership of the land.

I am hoping that this explanation of the effect of force-pooling will be of some help to you in understanding the status of your property.

If I may be of further assistance, please let me know.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ALP/RSM/esr  
Enclosure

cc: Governor Edwin L. Mechem

C

*To Mr. Porter*

FRANK F. COON  
1121 Summit Avenue  
Baltimore 6, Maryland  
4-19-61

RECEIVED  
OFFICE OF THE GOVERNOR  
SANTA FE, N.M.  
APR 21 7 AM '61

Office of the Governor  
Santa Fe, New Mexico.

Gentlemen:

My Father Franklin F. Coon purchased a lot herin described about 1914 ( exact date unknown) and I have been paying the taxes on this property since 1945 when my Father died and the last few years I have received a lot of correspondence relative to this lot and have actually received an offer of \$ 1.67 to part with this lot.

I would like to have some information on this lot as I am unable to examine it personally at this time and the enclosed papers will explain what I have in mind. After holding this property for nearly 50 years I refuse to give it away and of course I can't give information as to what is meant by this forced pooling. We had only a few days notice that this hearing was to be held and of course I could offer no protest. It is not my intention to be stubborn and place obstacles in the way of any efforts to do what is in the interest of the greatest number of people. All I want is to get a descent offer on this property otherwise I will continue to pay taxes on it as we have been doing.

I have a birth certification stating that my Fathers name was Franklin and evidently he put this lot in my name unknown to me and as he left no will my Brother who was the executor has told me that my Father wanted me to have this lot and that he would do anything I asked to see that it belongs to me. I would like to get the title changed to my Wife and Son Charles and I would like to know just what is the value of this property. We have written to a Lawyer and found out that he was representing the interested parties known as Yates and of course his information was no good to us. I have prepared a will as I am over 60 and I want to arrange my personal affairs in a business like manner in the interest of those that will be left behind and that I cannot do until I can get more information as to the possibilities of this property.

Any information that you may pass on to me and my heirs will be most appreciated.

*Frank F. Coon*  
Thank you,

FRANK F. COON  
1121 Summit Avenue  
Baltimore 6, Maryland



DOCKET: EXAMINER HEARING - WEDNESDAY, FEBRUARY 8, 1961

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

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*Order*  
*7-11*

- CASE 2174: Application of Yates Petroleum Corporation for an order force-pooling a 322.2-acre gas proration unit in the Atoka-Pennsylvanian Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the N/2 of Section 28, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include William H. Swearingen, Alice Heck Martin, Maze Heck Pinnell, Wave Heck Hill, J. W. Potter, James W. Hall and Mrs. Lucille Ruddell South.
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- CASE 2178: Application of Humble Oil & Refining Company for permission to commingle the production from several separate leases and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the



STATE OF NEW MEXICO,

County of \_\_\_\_\_

(ACKNOWLEDGMENT FOR INDIVIDUAL)

On this \_\_\_\_\_ day of \_\_\_\_\_, 19<sup>56</sup> \_\_\_\_\_, before me personally appeared \_\_\_\_\_

Frank F. Coon, Estate

to me known to be the person.....described in and who executed the foregoing instrument, and acknowledged that:.....

\_\_\_\_\_ executed this same as \_\_\_\_\_ free act and deed.

Witness my hand and official seal the day and year last above written.

**Notary Public**

**My commission expires** \_\_\_\_\_

**Postoffice**

STATE OF NEW MEXICO,

County of \_\_\_\_\_

(ACKNOWLEDGMENT FOR INDIVIDUAL)

On this.....day of....., 19....., before me personally appeared

to me known to be the person..... described in and who executed the foregoing instrument, and acknowledged that.....

.....executed the same as ..... free act and deed.

Witness my hand and official seal the day and year last above written.

Notary Public

My commission expires

**Postoffice**

STATE OF NEW MEXICO,

County of \_\_\_\_\_

(ACKNOWLEDGMENT FOR CORPORATION)

On this.....day of....., 19....., before me personally appeared

to me personally known, who being by me duly sworn did say that he is the..... president of

..... and demand that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said ..... acknowledged said instrument

.....acknowledged said instrument  
to be the free act and deed of said corporation.

Witness my hand and official seal the day and year last above written.

**My commission expires.**

.....  
Notary Public

No. \_\_\_\_\_

**Oil and Gas Lease**

FROM \_\_\_\_\_

TO \_\_\_\_\_

Page \_\_\_\_\_, Book \_\_\_\_\_, 19\_\_\_\_.

Section \_\_\_\_\_, Township \_\_\_\_\_, Range \_\_\_\_\_.

County, New Mexico

No. of Acres \_\_\_\_\_ Term \_\_\_\_\_

STATE OF NEW MEXICO,

County of \_\_\_\_\_ ss.

This instrument was filed for record on the \_\_\_\_\_ day \_\_\_\_\_, 19\_\_\_\_.

Attest \_\_\_\_\_, Clerk \_\_\_\_\_, and duly recorded \_\_\_\_\_.

In Book \_\_\_\_\_ Page \_\_\_\_\_ of the \_\_\_\_\_ of the \_\_\_\_\_.

County Clerk--Register of Deeds

Deputy \_\_\_\_\_

RECORDED AND MAIL TAG \_\_\_\_\_

Barkhart Printing & Stationery Co., Tulsa, Okla.

STATE OF NEW MEXICO,

County of \_\_\_\_\_

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this \_\_\_\_\_ day of \_\_\_\_\_ A.D. 19\_\_\_\_, before me, the undersigned, a Notary Public, known for the County and State aforesaid, personally appeared \_\_\_\_\_  
and \_\_\_\_\_

Give names of lands and water either the day and year last above written.

N. J. P.

*NOTE: If a person is charged by mark of a letter, the court must cite his name next to a letter of his witnesses, one of whom must write his name next to each mark.*





309 CARPENTER BUILDING  
ARTESIA, NEW MEXICO

April 13, 1961

S. P. YATES  
PRESIDENT  
HARVEY E. YATES  
VICE PRESIDENT  
MARTIN YATES, III  
VICE PRESIDENT  
JOHN A. YATES  
SECRETARY  
HUGH W. FERRY  
TREASURER

Frank F. Coon  
2121 Summit Avenue  
Baltimore 6, Maryland

Re: North Dayton  
Block 24 Lot 13  
Containing .09039256  
acres, more or less

Dear Mr. Coon:

We completed our Yates Petroleum Corporation Bob Gushwa #1 gas well, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  Section 21, Township 18 South, Range 26 East, February 23, 1961. This appears to be a good gas well at 9,200 feet. We are enclosing a plat showing the location of the well in the S $\frac{1}{2}$  of Section 21 and the approximate location of your acreage.

By order of the New Mexico Oil Conservation Commission they have designated the S $\frac{1}{2}$  of Section 21 as a gas unit to be produced from this well and have issued an order force pooling all of the acreage within this S $\frac{1}{2}$  of Section 21 and we will produce this well according to their order. From this order we are authorized to recoup a 125% of our cost from your proportionate interest under the well from 7/8ths of the revenue. After we have received 125% of the cost of drilling and producing the well we will then have to suspend this interest until you have brought your abstract down to date and made your title merchantable. After which we could pay you your part of production after operating cost.

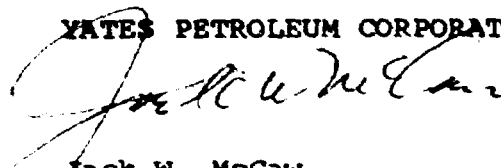
By the time we take 125% of our cost back and you do the legal work necessary to make your title merchantable, you can see it will probably be several years before you will realize anything from this property. If you could see fit to give us a lease on this lot we think it would be simpler for everybody concerned and we could probably over a period of years with your help make your title merchantable.

Page 2

Please let us know what you would like to do and if there is any further information that you need, please let us know.

Yours very truly,

YATES PETROLEUM CORPORATION

A handwritten signature in dark ink, appearing to read "Jack W. McCaw", is written over the typed name.

Jack W. McCaw  
Land Department

JWM:dp

Enc. 1

DRAFT

RSM/esr  
February 9, 1961

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

Rec'd  
2/14

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

CASE No. 2173  
Order No. R-1880

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR AN ORDER FORCE-  
POOLING ALL MINERAL INTERESTS IN  
A 322.4-ACRE GAS PRORATION UNIT  
IN THE ATOKA-PENNSYLVANIAN GAS  
POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 8, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this \_\_\_\_\_ day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the S/2 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, in order to form a 322.5-acre gas proration unit.

(3) That inasmuch as the applicant has made diligent effort to secure the approval of all mineral interest owners to the formation of the above-described gas proration unit, all mineral interests therein should be force-pooled.



(4) That denial of the subject application would deprive, or tend to deprive, the mineral interest owners in the above-described tract of the opportunity to recover their just and equitable share of the hydrocarbons in the Atoka-Pennsylvanian Gas Pool.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of hydrocarbons from the Atoka-Pennsylvanian Gas Pool underlying the S/2 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, are hereby force-pooled to form a 322.5-acre gas proration unit comprising all of said acreage. *Said unit is to be dedicated to the Yates Petroleum Corporation's Gushwa Well No 1, located 1650 feet from the South line and 1650 feet from the East line of said Section 21.*

~~DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated:~~

(2) That proceeds from production attributable to any interest which has not previously paid its share of total well costs may be withheld by the applicant to the extent of such costs, provided however, that proceeds attributable to any royalty interest shall not be withheld.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.



309 CARPER BUILDING  
ARTESIA, NEW MEXICO

S. P. YATES  
PRESIDENT  
HARVEY E. YATES  
VICE PRESIDENT  
MARTIN YATES III  
VICE PRESIDENT  
JOHN A. YATES  
SECRETARY  
HUGH W. PARRY  
TREASURER

February 10, 1961

UNLEASED MINERALS

Re: Case 2173, South Half of Section 21,  
Township 18 South, Range 26 East,  
Atoka Penn Gas Pool.

J. W. Potter	Lots 1,3,5,7,9,11,13,15,17,19,21,23, Block 7, Original Town of Dayton, containing 1.6138659 acres, more or less
J. N. Hawkins	School block in Original Town of Dayton in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 21, Township 18 South, Range 26 East, containing 2.0661157 acres, more or less
Wm. H. Swearingen	A tract in SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ , containing .79150596 acres, more or less
Mrs. Olive S. Harrison	Lots 27 and 28, Block 11, North Dayton Addition, containing .18 acres, more or less
Smith B. Crane	Lot 5, Block 23, North Dayton Addition, containing .19 acres, more or less
A. F. Escobar	Lot 31, Block 5, North Dayton Addition, containing .09 acres, more or less
Frank F. Coon	Lot 13, Block 24, North Dayton Addition, containing .09 acres, more or less

---

LEASES WITHOUT ADEQUATE POOLING PROVISION

Solomon Gallegos	Lots 9 and 11, Block 2, North Dayton Addition, containing .18 acres, more or less
------------------	---



309 CARPER BUILDING  
ARTESIA, NEW MEXICO

S. P. YATES  
PRESIDENT  
HARVEY E. YATES  
VICE PRESIDENT  
MARTIN YATES III  
VICE PRESIDENT  
JOHN A. YATES  
SECRETARY  
HUGH W. PARRY  
TREASURER

February 10, 1961

Page 2

J. R. Raymond

Lot 6, Block 2; Lot 6, Block 5;  
Lot 19, Block 6; Lot 14, Block 7;  
North Dayton Addition, NE $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
Section 21, Township 18 South,  
Range 26 East, containing .36 acres,  
more or less

Pinnell, Hill and Martin

S $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$  and a meets and bounds  
tract lying between Gage Street  
and the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ ,  
Section 21, Township 18 South,  
Range 26 East, containing 21.89  
acres, more or less

**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. 2173  
Order No. R-1880**

**APPLICATION OF YATES PETROLEUM  
CORPORATION FOR AN ORDER FORCE-  
POOLING ALL MINERAL INTERESTS IN  
A 322.5-ACRE GAS PRORATION UNIT  
IN THE ATOKA-PENNSYLVANIAN GAS  
POOL, EDDY COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on February 8, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 22nd day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

**FINDS:**

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Yates Petroleum Corporation, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in the S/2 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, in order to form a 322.5-acre gas proration unit.
- (3) That inasmuch as the applicant has made diligent effort to secure the approval of all mineral interest owners to the formation of the above-described gas proration unit, all mineral interests therein should be force-pooled.
- (4) That denial of the subject application would deprive, or tend to deprive, the mineral interest owners in the above-described tract of the opportunity to recover their just and equitable share of the hydrocarbons in the Atoka-Pennsylvanian Gas Pool.

-2-

CASE No. 2173  
Order No. R-1880

IT IS THEREFORE ORDERED:

That the interests of all persons having the right to drill for, produce, or share in the production of hydrocarbons from the Atoka-Pennsylvanian Gas Pool underlying the S/2 of Section 21, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, are hereby force-pooled to form a 322.5-acre gas proration unit comprising all of said acreage. Said unit is to be dedicated to the Yates Petroleum Corporation's Gushwa Well No. 1, located 1650 feet from the South line and 1650 feet from the East line of said Section 21.

PROVIDED HOWEVER, That the proportionate share of the cost of drilling and completing the well on the 322.5-acre tract shall be borne by each consenting working interest owner in the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

PROVIDED FURTHER, That the proportionate share of the cost of drilling and completing said well which is to be paid out of production by each non-consenting working interest owner shall be 125 per cent of the same proportion to the total costs that his acreage bears to the total acreage in the pooled unit.

PROVIDED FURTHER, That the share of the well costs, as determined above, which is to be paid by the mineral interest owners shall be withheld only from the working interests' share (7/8) of the revenues derived from the sale of the hydrocarbons produced from the well on the pooled unit. Royalty payments are not to be affected by the withholding of any funds for the purpose of paying out a proportionate share of the cost of drilling and completing said well.

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

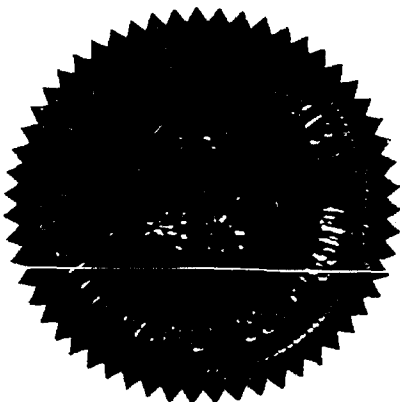
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman

  
E. S. WALKER, Member

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



ccr/

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 8, 1961

## EXAMINER HEARING

## IN THE MATTER OF:

Application of Yates Petroleum Corporation for an order  
force-pooling a 322.4-acre gas proration unit in the  
Atoka-Pennsylvanian Gas Pool. Applicant, in the above-  
styled cause, seeks an order force-pooling all mineral  
interests in the Atoka-Pennsylvanian Gas Pool in the S/2  
of Section 21, Township 18 South, Range 26 East, Eddy  
County, New Mexico. Interested parties include J. N.  
Hawkins, J. W. Potter, William H. Swearingen, Smith B.  
Crane, Frank F. Coon, A. F. Escobar, Olive E. Harrison,  
Pan American Petroleum Corporation, Mayme Rossinger, J.  
R. Raymond, Isabell Gallegos, Alice Heck Martin, Maze  
Heck Pinnell, Wave Heck Hill.

Case  
2173

Application of Yates Petroleum Corporation for an order  
force-pooling a 322.2-acre gas proration unit in the  
Atoka-Pennsylvanian Gas Pool. Applicant, in the above-  
styled cause, seeks an order force-pooling all mineral  
interests in the Atoka-Pennsylvanian Gas Pool in the N/2  
of Section 28, Township 18 South, Range 26 East, Eddy  
County, New Mexico. Interested parties include William  
H. Swearingen, Alice Heck Martin, Maze Heck Pinnell,  
Wave Heck Hill, J. W. Potter, James W. Hall and Mrs.  
Lucille Ruddell South.

Case  
2174

## BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: 2173.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, Santa Fe,  
representing the applicant. If the Examiner please, I believe that

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the next case could well be consolidated with this one for purposes of the record, although we would want a separate order.

MR. MORRIS: We also call at this time Case No. 2174, application of Yates Petroleum Corporation for an order for force-pooling.

MR. NUTTER: Is there objection to the consolidation, for hearing purposes, of 2173 and 2174? The cases will be consolidated for the purposes of taking the testimony.

MR. KELLAHIN: We have one witness.

(Witness sworn.)

JACK McCaw

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Will you state your name, please?

A Jack McCaw.

Q By whom are you employed and in what position?

A Yates Petroleum Corporation, as Land Man.

Q In connection with your duties as Land Man, Mr. McCaw, do you have anything to do with the assembling of acreage, procurement of leases, and communitization of lease ownership?

A I do.

Q In that connection did you make any efforts to secure leases and communitization in the area involved in Case 2173 and

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2174?

A Yes, sir.

Q Would you state briefly what is proposed by Yates in these two applications?

A We propose to force-pool all mineral interests that we do not have leases on, and we do have some leases we do not have adequate pooling.

Q That applies to both tracts?

A Both tracts.

Q Do you have a plat showing the area involved in these applications, Mr. McCaw?

A Yes.

MR. KELLAHIN: If the Examiner please, we would like permission to offer this as an exhibit with permission to withdraw it and substitute a copy since this is the only one we have available at the present time.

MR. NUTTER: It will be permissible.

(Applicant's Exhibit No. 1  
Marked for Identification.)

Q Mr. McCaw, referring to what has been marked as Exhibit 1, would you point out to the Examiner the area which is under consideration and the problem involved in these applications, referring first to the S/2 of Section 21, and then discuss the N/2 of Section 28?

A This area, here to here, is the S/2 of 21.

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MR. NUTTER: Where would that be on the map?

A Section 21 of Township 18 South, Range 20 East, in the Atoka Pool.

MR. NUTTER: Could you describe it, for the purposes of the transcript? Would that be the area lying north of Main Street, lying west of Dayton Street, or the entire area?

A The entire area from north of Main to the middle of Carlisle Road Street.

MR. NUTTER: That is the N/2 of Section 21?

A S/2 of 21.

Q (By Mr. Kellahan) Where does the N/2 of Section 28 lie on the map?

A It lies south of Main Street, to Wilder Street.

Q With reference to the S/2 of Section 21, would you point out on the plat the tracts of land on which you do not have leases?

A We have everything under lease marked in yellow, and the part we do not have under lease is this area here, Hawkins.

MR. NUTTER: How is that area described on the map?

A It is described as "School Block" on the map. We have the N/2 of Block 7 that is not under lease, and Lot 13, Block 24, Lot 5, Lot 23 and 27 and 28 of Block 11, Lot 31, Block 5.

Q There is additional land involved in which you have leases, is there not, which you seek to force-pool in this application?

A Yes. In the S/2 of 21 we have the Harrison, this 20 acres,



Marcelin and Flammelli, and one lot that belongs to J. R. Raymond, and one that belongs to Gallegos that we do not have adequate pooling on.

MR. NUTTER: What lots are those?

A I can't tell you.

Q (By Mr. Kellahin) They are marked on the map?

A They are on the map by file number, and I don't have my file.

MR. PAYNE: What about the area designated as "Park"?

A We have a lease on it.

MR. NUTTER: Could you give us the file numbers of the tracts belonging to Gallegos and Raymond when you return to your office? Could you obtain that information and submit it to the Commission?

A Sure. I think I can dig it out of that file right there, from my correspondence.

Q (By Mr. Kellahin) With reference to the N/2 of Section 28, would you give the Examiner the same information on that area?

A We do not have these two lots. I believe they are 9 and 11 of Block 28.

MR. NUTTER: 9 and 11 of Block 29?

A 29, right; belongs to Hall and South.

Q (By Mr. Kellahin) Are there other tracts on which you do not have leases?

A We do not have under lease the blue, here and here, nor this.

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Q Do you have any in there on which you do not have leases which do not have adequate pooling clauses?

A No, we have adequate pooling on everything in the N/2 of 28.

Q Are there any wells drilled on either one of those tracts?

A There is a well which hasn't been completed in the N/2 of 28, and we are drilling now in the S/2 of 21.

Q What is the status of the well in Section 28?

A It is supposed to be being tested today. They have just hooked up their equipment, and are testing today.

Q A well in Block 10?

A 990 from the north and west of 28.

MR. NUTTER: What is the location of the well in the S/2 of 21?

A 1650 from the southeast, right here on Lot 12 of Block 35.

Q (By Mr. Kellahin) Mr. McCaw, according to the plat this area consists of the Dayton townsite, is that correct?

A Yes, sir.

Q What is the status of the Dayton townsite at the present time?

A It is an old abandoned town.

Q Are there any improvements located there?

A No improvements.

Q What streets have been laid out?

A The main street is a county road.

Q Does it run along the section line?



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A Yes, sir.

Q Are there any other streets?

A There is a section line road on the east side and the highway on the west side.

Q Are there any buildings or houses or anything of that nature?

A No buildings.

Q There appears to be a railroad right-of-way running through the tract. What is the situation as to that insofar as oil and gas leasing is concerned?

A We have the minerals, they have a right-of-way.

Q But you own the minerals?

A We own the minerals.

Q Now, Mr. McCaw, what efforts have you made in regard to these two tracts to secure communitization agreements?

A We have been negotiating since 1956 with all of the people in this area, and have run out of time. We have had correspondence and telephone conversations with all of the owners and recently we sent registered letters with our communitization, and didn't get any replies. We have replies from all of them except the ones we have mentioned.

Q You have contacted each and every one of the individuals named in the application, is that correct?

A Yes.

Q What is the situation with regard to Pan American Petro-



leum Corporation?

A We got a wire yesterday saying they had signed the communitization agreement.

MR. NUTTER: What acreage does Pan American own, acreage in Section 21 that you mentioned?

A No, it is the white acreage above that.

Q (By Mr. Kellahin) They are committing to the unit?

A Yes, sir.

Q Are there any other tracts which you have been able to bring into the unit subsequent to the application filed in this case?

A We have a lease from Escobar on Lot 31, Block 5, but he failed to have the lease acknowledged, so we sent it back for acknowledgement.

MR. NUTTER: Which section is that in?

A S/2 of 21.

Q (By Mr. Kellahin) You feel reasonably sure you will get a properly acknowledged lease with the pooling clause?

A We think so.

Q Are there any others you have heard from?

A We received an amendment from Mayme Ressinger who had one lot in the S/2 of 21.

Q You say you received an amendment; you mean an amendment covering the pooling clause of the lease?

A Yes.

Q That will be definitely committed to the unit?

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A Right.

Q Are there any others?

A That is all.

Q Are there any in Section 28?

A No.

Q Y u have not heard from any of those people?

A No.

Q What is the situation as to Mr. William H. Swearingen?

A He said he would go along with us in drilling the well, but he is not signed the communitization agreement or anything else.

Q Has he made any contribution on the cost of the well?

A He -- on the well in the N/2 of 28, he paid \$1300.00 towards the drilling of the well.

Q Did that cover his share of the costs?

A Not quite.

Q In the event that the Commission sees fit to grant your application for force-pooling do you ask for recovery from these people for their proportionate share of the drilling costs?

A Yes.

Q What would you consider reasonable under the circumstances in this case?

A I would think 125%.

Q What was the cost of your well in Section 28?

A It hasn't been completed yet, but it was around \$178,000.



Q The interests involved are quite small, for the most part?

A Right.

Q Could you say approximately what they amount to in each tract?

A 25 acres total in the S/2 of 21, and less than five in the N/2 of 28.

Q Do you have anything you care to add to your testimony, Mr. McCaw?

A I think not.

MR. KELLAHIN: If the Commission please, if we may have permission to withdraw this exhibit a copy will be furnished to the Commission by Mr. McCaw. On that basis I would like to offer in evidence Exhibit No. 1.

MR. NUTTER: That will be satisfactory, Mr. Kellahin. We will have to have the copy of this exhibit prior to the time we can take this case to the Commission, however.

MR. KELLAHIN: Yes, sir. It is my understanding you also want the tract numbers which are involved in the force-pooling application, a list of those.

MR. NUTTER: The tracts that weren't identified specifically by lot and by block.

MR. KELLAHIN: That is all I have to offer.

MR. NUTTER: Any questions of Mr. McCaw?

BY MR. PAYNE:

Q Is your figure of 125% for the non-consenting working



Interest owners based on a reasonable cost of supervision and operation in the drilling of the well?

A Yes, sir.

Q Or wells?

A Yes, sir.

Q It is not based on bonus for risk?

A No.

MR. PAYNE: Thank you.

MR. NUTTER: Any further questions?

BY MR. NUTTER:

Q Who owns the royalties under the street in this townsite?

A We think the people that own the lots do.

Q You think the street is divided down the middle, and half belongs to the lot in front of that portion of the street?

A Yes.

Q You stated Mr. Swearingen had contributed around \$1300.00 to the cost?

A He has a three-acre interest in the N/2 of 28.

Q Did he contribute that on the basis of an expected cost of the well, and then the ultimate cost turned out to be higher?

A I don't know. He just mailed us the check.

Q Had you furnished him with an estimate of the cost of the well?

A We sent him an AFE, he never signed it, just mailed us a check.

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Q What was the expected cost on the AFF?

A \$171,614.00.

Q And he owns 3.320 of the acreage in the tract?

A He owns 3.139 acres, which would be around 3.320.

BY MR. PAYNE:

Q There are some unleased tracts in here?

A Yes, there are.

Q Where other owners have both the working interests and royalty interests?

A Right.

Q You are aware in this 125% figure, that only applies as to the working interests; you have to pay the royalty interests from month to month?

A Right.

MR. NUTTER: Are there any further questions of Mr. McCaw? You may be excused. Do you have anything further in these cases, Mr. Kellahin?

MR. KELLAHIN: That is all I have, Mr. Nutter. Thank you.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2173 or 2174?

MR. MORRIS: I have a telegram that the Commission has received from Pan American Petroleum Corporation, which reads as follows: "Case No. 2173, docketed for Examiner Hearing on Wednesday, February 8, 1961, is Yates Petroleum Corporation's application for an order force-pooling a standard gas proration unit, consist-



ing of the S/2 of Section 21, Township 10 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico. Pan American Corporation has already voluntarily pooled its acreage in the S/2 of Section 21 with the Yates Petroleum Corporation acreage for the purpose of drilling a well in the Atoka-Pennsylvanian Gas Pool. Pan American recommends that this application be approved. Please read this telegram into the record of the hearing. Signed: Alex Clark, Jr., Pan American Petroleum Corporation."

MR. NUTTER: Is there anything further? We will take these cases under advisement and call the next case.

STATE OF NEW MEXICO     )  
                                  )     ss  
COUNTY OF BERNALILLO    )

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

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 13th day of February, 1961.

*June Paige*  
Notary Public - Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the hearing held on February 2/8, 1961, at Santa Fe, New Mexico, before the New Mexico Oil Conservation Commission. 2173-2174

*[Signature]*  
Examiner  
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CM 3-6691

ALBUQUERQUE, NEW MEXICO



I N D E X

<u>WITNESS</u>	<u>PAGE</u>
JACK McCaw	
Direct Examination by Mr. Kellahin	2
QUESTIONS by Mr. Nutter	11
QUESTIONS by Mr. Payne	12

E X H I B I T S

<u>NUMBER</u>	<u>EXHIBIT</u>	<u>IDENTIFIED</u>	<u>OFFERED</u>	<u>RECEIVED</u>
Ex. #1	Map	3	10	10

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CM 3-6691

ALBUQUERQUE, NEW MEXICO



CASE 2173: Application of YATES  
Petro. for an order force-pooling  
a 322.4-acre gas proration unit in  
the Atoka-Penn Gas Pool.

for  
2  
James H. Yates  
Atoka  
Judge