

Case No.

1408

Application, Transcript,
Small Exhibits, Etc.



7

**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. 1642
Order No. R-1390**

**APPLICATION OF DELHI-TAYLOR OIL
CORPORATION FOR AN AMENDMENT OF
ORDER NOS. R-60, R-1169, AND R-1170
TO CHANGE THE DEDICATED ACREAGE IN
ONE NON-STANDARD GAS PRORATION UNIT
IN THE BLANCO MESAVERDE POOL AND IN
TWO NON-STANDARD GAS PRORATION UNITS
IN THE AZTEC-PICTURED CLIFFS POOL,
SAN JUAN COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 22, 1959, 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 7th day of May, 1959, 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 by Commission Order No. R-60, the applicant, Delhi-Taylor Oil Corporation, was granted a 340-acre non-standard gas proration unit in the Blanco Mesaverde Pool consisting of the SW/4 of Section 30 and the W/2 of Section 31, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico, said unit being dedicated to the Delhi-Taylor Prichard Well No. 4-T, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

(3) That a recent Cadastral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas proration unit to be 375.09 acres rather than 340 acres.

(4) That by Commission Order No. R-1169, the applicant was granted a 169.42 acre non-standard gas proration unit in the Aztec-

-2-

Case No. 1642
Order No. R-1390

Pictured Cliffs Pool consisting of the SW/4 and the S/2 NW/4 of said Section 31, said unit being dedicated to the Delhi-Taylor Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

(5) That a recent Cadastral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas proration unit to be 203.34 acres rather than 169.42 acres.

(6) That by Commission Order No. R-1170, the applicant was granted a 170.58 acre non-standard gas proration unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 of said Section 30 and the N/2 NW/4 of said Section 31, said unit being dedicated to the Delhi-Taylor Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.

(7) That a recent Cadastral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas proration unit to be 171.75 acres rather than 170.58 acres.

(8) That the applicant proposes that Order Nos. R-60, R-1169, and R-1170 be amended to change the dedicated acreage in said non-standard gas proration units to conform with the acreage shown by the Cadastral Survey accepted April 18, 1958.

(9) That amendment of the subject orders as requested by the applicant will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. R-60 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Blanco Mesaverde Pool consisting of the SW/4 of Section 30 and the W/2 of Section 31, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico, and dedicated to the Delhi-Taylor Prichard Well No. 4-T, located 1450 feet from the South line and 790 feet from the West line of said Section 31, contains 375.09 acres.

(2) That Order No. R-1169 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 and the S/2 NW/4 of said Section 31 and dedicated to the Delhi-Taylor Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31, contains 203.34 acres.

(3) That Order No. R-1170 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 of said Section 30 and the N/2 NW/4 of said Section 31 and dedicated to the Delhi-Taylor Jones Well No. 3, located 1750 feet from the South line and

-3-

Case No. 1642
Order No. R-1390

1090 feet from the West line of said Section 30, contains 171.75 acres.

(4) That the effective date of this order changing the acreage dedicated to the above-described wells shall be May 1, 1959.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURBOUGHS, Chairman

MURRAY E. MORGAN, Member

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

S E A L

ir/

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

April 29, 1958

C
O
P
Y

Mr. Russell Carlin
Delhi-Taylor Oil Corp.
Corrigan Tower
Dallas 1, Texas

Dear Mr. Carlin:

We enclose two copies of Orders R-1169 and R-1170 issued April 28, 1958, by the Oil Conservation Commission in Cases 1407 and 1408, respectively, which were heard on April 9th before an examiner at Santa Fe.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

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

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

**CASE NO. 1408
Order No. B-1170**

**APPLICATION OF DELHI-TAYLOR OIL
CORPORATION FOR THE ESTABLISHMENT
OF A 170.88-ACRE NON-STANDARD GAS
PRORATION UNIT IN THE ABOVE-TITLED
CLIFFS GAS POOL, SAN JUAN COUNTY, NEW
MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 9, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 28th day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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, Delhi-Taylor Oil Corporation, is the owner of two oil and gas leases covering the following described acreage:

SW/4 of partial Section 30 and the N/2 NW/4 of partial Section 31, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico.

(3) That the applicant is the owner and operator of the Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.

(4) That the applicant proposes to dedicate the above-described acreage to the said Jones Well No. 3.

(5) That the proposed non-standard proration unit is necessitated by a variation in legal subdivision of the U. S. Public Land Surveys.

-2-
Case No. 1408
Order No. R-1170

(6) That the establishment of the proposed non-standard gas proration unit will not cause waste nor impair correlative rights.

(7) That the application should be granted.

IT IS THEREFORE ORDERED:

1. That the application of Balbi-Taylor Oil Corporation for the establishment of a 170.50-acre non-standard gas proration unit in the Antec-Pictured Cliffs Gas Pool, consisting of the NW/4 of partial Section 30 and the E/2 NW/4 of partial Section 31, Township 29 North, Range 3 West, NMPN, San Juan County, New Mexico, be and the same is hereby granted. Said unit is to be dedicated to the applicant's Jones Well No. 3 located 1750 feet from the South line and 1000 feet from the West line of said Section 30.

2. That the said Jones Well No. 3 be designated as the unit well for said unit and that the same be granted an acreage factor for allowable purposes in the proportion that the above-described acreage bears to the standard proration unit for the Antec-Pictured Cliffs Gas Pool, subject to the Special Rules and Regulations for the Antec-Pictured Cliffs Gas Pool as set forth in Order No. R-565-C.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

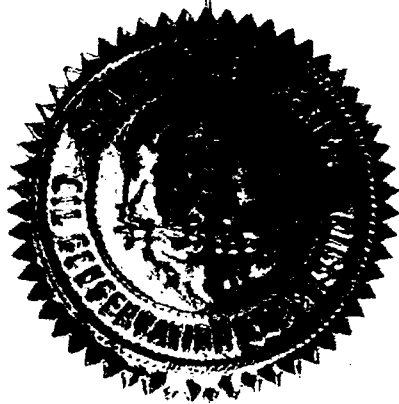
EDWIN L. MECHEM, Chairman

Murray E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 9-11-58

CASE 1408

Hearing Date 9-8-58

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

1. approve as requested.
2. The Aztec Pictured Cliff unit consists of SW 1/4 of Sec. 30 and the N 1/2 NW 1/4 of Sec. 31 - 28 N - 8 W, 170.5-8 Acres.
3. The unit well will be the Delhi-Daguer-Jones #3, 1040/E, 1750/S lines of sec. 30 - 28 N - 8 W.
4. Unit was necessitated by the irregular survey of this section.

Wm. H. H. H.
Hamm

Staff Member

Memo

From
William J. Gealey

4/14

To

HOLD

until statement of
ownership and communication
is received or promised by
Russell Carter at
the hearing.

wj

Called Russ 4-18-58

Will put the B on the
Lynch Report.

Statement received 4-28-58
B P

copy
file
Case

DELHI-TAYLOR OIL CORPORATION
CORRIGAN TOWER
DALLAS 1, TEXAS

April 24, 1958

Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Attention: Mr. Elvis A. Utz

Re: Non-standard Gas Proration Units
Case No. 1407, Prichard #4-C Well
Case No. 1408, Jones #3 Well
San Juan County, New Mexico

Gentlemen:

In connection with the above subject cases which were heard on April 9, 1958, Docket No. 10-58, on Application from Delhi-Taylor Oil Corporation, additional information was requested regarding the unitized interests, and we are pleased to furnish such information herein.

On January 1, 1956, the lease owners executed a communitization agreement covering the E/2 SW/4 and Lots 3 and 4 of Section 30, Township 29 North, Range 8 West (114.0 acres), out of United States Lease Santa Fe-079938 and the E/2 W/2 and Lots 1, 2, 3, and 4 of Section 31, Township 29 North, Range 8 West (226.0 acres) out of United States Lease Santa Fe-078487-A. This communitization agreement included both the Pictured Cliff and Mesaverde formations. It was approved by the United States Geological Survey on April 2, 1957, and given their Contract No. 14-08-001-3521. A photostatic copy of this agreement is attached hereto for your further information.

All overriding royalty and production payment owners under the communitized acreage have also ratified the communitization agreement by either ratification agreements or ratification covenants contained in division orders.

In the event any additional information is desired, please advise.

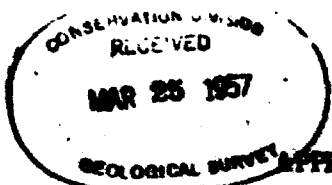
Very cordially yours,

DELHI-TAYLOR OIL CORPORATION

By *Carl F. McClellan*
Carl F. McClellan,
Land Department

JFM:jwj
Enclosure

Unit-207



STATE OF NEW MEXICO
May 2, 1957 - 2:45 p.m.
and duly recorded in book 328 page 192 of the
Records of said county.

Lester A. Diet
Bonnie Lane, Attorney



92

Pursuant to the authority vested in the Secretary of the Interior approved February 25, 1920, 41 Stat. 437, 30 U.S.C. sects. 101 et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, and delegated to the Director of the Geological Survey, pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C.F.R. sec. 4.618, 12 F.R. 6784, I do hereby:

- A. Approve the above communitization agreement covering the 2 29 N, R 8 W, N.M.P.M. San Juan and Lots 3 and 4 of Section 30, N 24 E and Lots 1, 2, 3 and 4 Section 31 County, New Mexico, as to dry gas and associated liquid hydrocarbons producible from the Marathon & Pictured Cliffs formations.
- B. Determine that the federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the federal lease or leases committed to said agreement are hereby established, altered, changed or revoked to conform with the terms and conditions of the agreement.

Dated: APR 2 1957

[Signature]
Acting Director
United States Geological Survey

Contract No. 14-08-001-3521

Unit-207



COMMUNITIZATION AGREEMENT
Deal Completion
Prichard #4

14-08-001-3521

THIS AGREEMENT entered into as of the 1st day of January, 1956,
by and between the parties subscribing, ratifying or consenting hereto,
such parties being hereinafter referred to as "parties hereto",

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended
by the Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Secs. 181 et seq.,
authorizes communitization or drilling agreements communitizing or pooling
a federal oil and gas lease, or any portion thereof, with other lands,
whether or not owned by the United States, when separate tracts under such
federal lease cannot be independently developed and operated in conformity
with an established well-spacing program for the field or area and such com-
munitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other lease-
hold interests, or operating rights under the oil and gas leases and lands
subject to this agreement which cannot be independently developed and operated
in conformity with the well-spacing program established for the field or
area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their
respective mineral interests in lands subject to this agreement for the
purpose of developing and producing dry gas and associated liquid hydro-
carbons in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual
advantages to the parties hereto, it is mutually covenanted and agreed by
and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to
as "communitized area") are described as follows:

Township 29 North, Range 8 West, N.M.P.M.
Section 30: E $\frac{1}{2}$ and Lots 3 and 4
Section 31: E $\frac{1}{2}$ and Lots 1, 2, 3 and 4

containing 340.00 acres, more or less, and this agreement shall extend to
and include both the Pictured Cliffs and Mesaverde formations underlying

said lands and the dry gas and associated liquid hydrocarbons (hereinafter referred to as "communitized substances") producible from such formations.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "A" designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the Operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Oil and Gas Supervisor.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations. In connection with the performance of work under this agreement, the operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause. The operator agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payment of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued.

7. There shall be no obligation on the lessees to effect any dry gas well or wells completed in the same formations as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled effecting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. This agreement shall be effective as of the date hereof upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior, or his

duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.

11. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor and in the applicable oil and gas regulations of the Department of the Interior.

12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantees, transferees or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

IN WITNESS WHEREOF, the parties hereto have executed this

agreement as of the day and year first above written.

APPROVED
Land <i>ABC</i>
Prod. <i>ABC</i>
Acctg. _____
Geol. <i>ABC</i>

DELHI-TAYLOR OIL CORPORATION

By W.C. Smith
Vice President

EL PASO NATURAL GAS COMPANY

By *[Signature]*
Vice President

THREE STATES NATURAL GAS COMPANY

By E.A. Jenkins
Vice President

[Signature]
ROBERT F. THORSON

~~*[Signature]*~~
~~ROBERT F. THORSON~~

THE STATE OF TEXAS
COUNTY OF DALLAS

On this 7th day of February, 1956, before me appeared W.C. Smith, to me personally known, who being by me duly sworn, did say that he is the Vice President of DELHI-TAYLOR OIL CORPORATION, and that the seal affixed to the foregoing 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 W.C. Smith acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

H. BRACE WIGZELL
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1957

H. Brace Wigzell
Notary Public
County of Dallas, State of Texas

THE STATE OF TEXAS
COUNTY OF EL PASO

On this 2 day of January, 1957, before me appeared H. J. Miller, who, being by me duly sworn, did say that he is the Vice President of H. J. Miller & Company, and that the seal affixed to the foregoing 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 H. J. Miller acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

MARTHA B. IVEY,
Notary Public, in and for El Paso County, Texas
My Commission Expires June 1, 1957

Martha B. Ivey
Notary Public
County of El Paso, State of Texas

THE STATE OF TEXAS
COUNTY OF DALLAS

On this 1st day of February, 1957, before me appeared E. J. Thompson, to me personally known, who, being by me duly sworn, did say that he is the Vice President of THOMPSON NATURAL GAS COMPANY, and that the seal affixed to the foregoing 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 E. J. Thompson acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



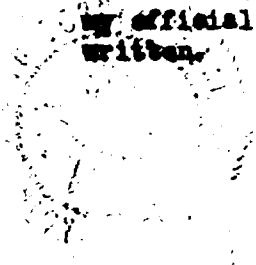
Hazel Gray
Notary Public
State of Texas, County of Dallas
HAZEL GRAY
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1957

THE STATE OF TEXAS

COUNTY OF Dallas

On this 19th day of February, 1957, before me appeared Robert F. Thompson and Mary Virginia Thompson, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Martha B. Ivey
Notary Public
County of Dallas, State of Texas

My Commission Expires June 1, 1957

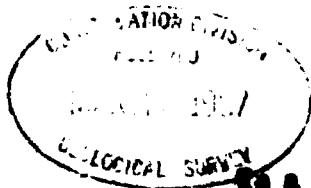


EXHIBIT "A"

to a Commitment Agreement dated January 1, 1956,
embracing the following described land in San Juan
County, New Mexico, to-wit:

**Township 29 North, Range 8 West, N.M.P.M.
Section 30: ~~East~~ and Lots 1, 2, 3 and 4
Section 31: ~~East~~ and Lots 1, 2, 3 and 4**

Operator of Commititized Area: Delhi-Taylor Oil Corporation
Well Name: Frisard No. 4

Description of Leases Committed

Treat No. 1

Lease Committed by: El Paso Natural Gas Company
Lessor: United States of America
Original Lessee: Christine Hughes
Lessee of Record: Three States Natural Gas Company
Serial Number of Lease: SF-079938
Recordation Date: Book 136, Page 127, Official Records
of San Juan County, New Mexico
Lease Date: February 1, 1948
Operating Agreement: Dated May 16, 1952, between Three
States Natural Gas Co. and El Paso
Natural Gas Company
Description of Lands Committed: Township 29 North, Range 8 West, N.M.P.M.
Section 30: ~~East~~ and Lots 1, 2, 3 and 4
containing 114.00 acres, more or less.
El Paso's File No.: NM-3359

Treat No. 2

Lease Committed by: Delhi-Taylor Oil Corporation
Lessor: United States of America
Original Lessee: L. H. Frisard, Jr.
Lessee of Record: R. F. Thompson
Serial Number of Lease: SF-078487-A
Recordation Date: Book 198, Page 117, Official Records
of San Juan County, New Mexico
Lease Date: August 1, 1948
Operating Agreement: Operating Agreement, executed April 27,
1951, between Robert F. Thompson and
Delhi Oil Corporation, approved by
Decision dated June 6, 1952.
Description of Lands Committed: Township 29 North, Range 8 West, N.M.P.M.
Section 31: ~~East~~ and Lots 1, 2, 3 and 4
containing 226.00 acres, more or less.
Delhi-Taylor File No.: NM-74

WESTERN UNION
TELEGRAM
W. F. MARSHALL, President

WESTERN UNION TELEGRAM

WESTERN UNION
TELEGRAM
W. F. MARSHALL, President

The time shown in the last figure of the telegram is STANDARD TIME at place of origin. Time of receipt at destination is subject to change.

URGENT
D. DELHI-TAYLOR OIL CORP. TEXAS
JACK COLEMAN
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE NMEX

REQUEST THAT APPLICATION FOR NON-STANDARD PRORATION
UNITS ON DELHI-TAYLOR NO. 3 JONES AND NO. 4 PRICHARD
SUBMITTED FOR ADMINISTRATIVE APPROVAL AND REJECTED BE
RECONSIDERED AT THE COMMISSION HEARING OF APRIL NINTH
DELHI-TAYLOR OIL CORP TYSON CLEARLY

THE COMPANY WILL APPRECIATE ALL QUESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Case 1408

DELHI-TAYLOR OIL CORPORATION
CORRIGAN TOWER
DALLAS 1, TEXAS

March 10, 1958

Case 1408

*3/17
Admin Approved
Denied
wjs*

*Called Cleary
ad advised him*

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

Gentlemen:

On March 6, 1958 we wrote you requesting administrative approval of a non-standard proration unit on the Delhi-Taylor Jones #3 well in L Section 30, T 29N, R 8 W, San Juan County, New Mexico. The proration unit acreage was incorrectly shown as 114.0 acres whereas it should be 170.58 acres.

An amended request is submitted for your consideration and we hope this will cause you no great inconvenience.

Very truly yours,

DELHI-TAYLOR OIL CORPORATION

Tyson Cleary
Tyson Cleary

TC:mhm

cc: El Paso Nat. Gas Co.
Farmington, New Mexico
Southern Union Gas Co.
Farmington, New Mexico
Aztec Oil & Gas Co.
Farmington, New Mexico
Beaver Lodge Oil Corp.
Dallas, Texas

New Mexico Oil Conservation
Comm.
Aztec, New Mexico
H. P. Kerr
J. B. Howell

*1750 f5L
1090 f5L*

DELHI-TAYLOR OIL CORPORATION
CORRIGAN TOWER
DALLAS 1, TEXAS

March 10, 1958

AMENDED 3/10/58

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

Re: Non-Standard Proration Unit
Aztec-Pictured Cliff Pool
San Juan County, New Mexico

Gentlemen:

In accordance with Oil Conservation Commission Order No. R-565 Rule 6 (B), Application is hereby made for administrative approval of a non-standard proration unit whereby 170.58 contiguous surface acres will be allocated to the Delhi-Taylor Jones #3 well in L Section 30-T 29 N, R 8 W, San Juan County, New Mexico. This acreage is substantially in the form of a rectangle and, due to the irregularity of the Range Line between Range 8 West and Range 9 West of the U. S. Public Land Survey, consists of the SW/4 of Section 30, referenced above and N/2 NW/4 of Section 31, T 29N, R 8W.

Respectfully submitted,

DELHI-TAYLOR OIL CORPORATION


Tyson Cleary

cc: El Paso Nat. Gas Co.
Farmington, New Mexico

Southern Union Gas Co.
Farmington, New Mexico

Aztec Oil & Gas Co.
Farmington, New Mexico

Beaver Lodge Oil Corp.
Dallas, Texas

New Mexico Oil Conservation Comm.
Aztec, New Mexico

H. P. Kerr

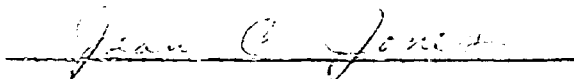
J. B. Howell

STATE OF TEXAS
COUNTY OF DALLAS

Tyson Cleary says that he is the person who prepared the foregoing letter on behalf of Delhi-Taylor Oil Corporation; that he knows the contents thereof, and that to the best of his knowledge the same is true and correct.



Sworn and Subscribed to before me this 10th day of March, 1958.



JUAN C. JONES,
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1959

March 10, 1958

STATE OF TEXAS
COUNTY OF DALLAS

This is to certify that all of the offset
operators listed on the attached application have been fur-
nished with copies of this application by registered mail.

DELHI-TAYLOR OIL CORPORATION

By Tyson Cleary

Sworn and Subscribed to before me this 10th
day of March, 1958.

Jean C. Jones

JEAN C. JONES,
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1959

OK
wye

DELHI-TAYLOR OIL CORPORATION
CORRIGAN TOWER
DALLAS 1, TEXAS

New York
on country
period

March 6, 1958

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

Case 1468

Re: Non-Standard Proration Unit
Aztec-Pictured Cliff Pool
San Juan County, New Mexico

Gentlemen:

In accordance with Oil Conservation Commission Order No. R-565 Rule 6 (B), Application is hereby made for administrative approval of a non-standard proration unit whereby 114.0 contiguous surface acres will be allocated to the Delhi-Taylor Jones #1 well in L¹ Section 30-T 20N, R3W, San Juan County, New Mexico. This acreage is substantially in the form of a rectangle and is a legal quarter section subdivision of the U. S. Public Land Survey. The drilling unit covering this well is the SW/4 of the Section 30 referenced above.

1750 fsl
1090 fwl

Respectfully submitted,

DELHI-TAYLOR OIL CORPORATION

Tyson Cleary
Tyson Cleary

New Mexico Oil Conservation Comm.
Aztec, New Mexico

H. P. Kerr

J. B. Howell

cc: El Paso Nat. Gas Co.
Farmington, New Mexico
Southern Union Gas Co.
Farmington, New Mexico
Aztec Oil & Gas Co.
Farmington, New Mexico
Beaver Lodge Oil Corp.
Dallas, Texas

STATE OF TEXAS
COUNTY OF DALLAS

Tyson Cleary says that he is the person who prepared the foregoing letter on behalf of Delhi-Taylor Oil Corporation; that he knows the contents thereof, and that to the best of his knowledge the same is true and correct.

Tyson Cleary

Sworn and Subscribed to before me this 6th day of March, 1958.

Jean C. Jones

JEAN C. JONES,
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1959

March 6, 1958

noted

STATE OF TEXAS
COUNTY OF DALLAS

This is to certify that all of the offset
operators listed on the attached application have been fur-
nished with copies of this application by registered mail.

DELHI-TAYLOR OIL CORPORATION

By *Tyson Cleary*

Sworn and Subscribed to before me this 6th day
of March, 1958.

Jean C. Jones

JEAN C. JONES,
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1959

DOCKET: EXAMINER HEARING APRIL 9, 1958

OIL CONSERVATION COMMISSION 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE, NM

The following cases will be heard before Elvis A. Utz, Examiner:

- - -

- CASE 1356: Application of Cities Service Oil Company for an order amending Order No. R-1128. Applicant, in the above-styled cause, seeks an order amending Order No. R-1128 to authorize the transfer of allowable from water injection wells to other wells on the same basic lease, to establish a lease allowable for the applicant's Government "B" Lease, and to authorize administrative approval for additions to, or deletions from the pilot area and/or injection wells.
- CASE 1404: Application of Continental Oil Company for permission to produce more than eight oil wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production of a maximum of eleven oil wells in the Jalmat Gas Pool into a common tank battery. Said wells are located on the applicant's Eaves A-19 lease comprising the S/2, S/2 NW/4, and NW/4 NW/4 of Section 19, Township 26 South, Range 37 East, Lea County, New Mexico.
- CASE 1405: Application of Continental Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. Lockhart B-14 "A" No. 1-D Well, located 1980 feet from the North line and 660 feet from the East line of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Terry Blinbry Oil Pool and oil from the Drinkard Oil Pool through parallel strings of tubing.
- CASE 1406: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 200-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 S/2 and the NW/4 SW/4 of Section 13, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's SEMU Permian Well No. 41 located 660 feet from the South and East lines of said Section 13.
- CASE 1407: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 169.42-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 and S/2 NW/4 of Section 31, Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

Examiner Hearing April 9, 1958

CASE 1408: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 170.58-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 of Section 30 and the N/2 NW/4 of Section 31, all in Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.

CASE 1409: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "CL" Well No. 1, located 2651 feet from the North line and 1650 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.

CASE 1410: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "R" Well No. 1, located 990 feet from the North line and 660 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.

CASE 1411: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its J. F. Janda "F" Well No. 3, located 1980 feet from the North and West lines of Section 4, Township 22 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalmat Gas Pool and oil from the South Eunice (Oil) Pool through parallel strings of tubing.

CASE 1412: Application of John M. Kelly for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 SW/4, W/2 SE/4, and W/2 NE/4 of Section 16, Township 19 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Humble State No. 1 Well located 1980 feet from the South and West lines of said Section 16.

CASE 1413: Application of Austral Oil Exploration Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from all wells completed in the Townsend-Wolfcamp Pool, Lea County, New Mexico, on the following described leases:

CASE 1413

Continued:

W. M. Snyder "B" Lease - Township 16 South, Range 36 East
Section 6: Lots 9, 10, 15, & 16
and SE/4

W. M. Snyder "C" Lease - Township 16 South, Range 36 East
Section 5: Lot 5
Section 6: Lots 1, 7, & 8

CASE 1414:

Application of The Texas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its C. H. Weir "B" Well No. 1, located in the SE/4 NE/4 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Skaggs-Drinkard Pool and oil from an undesignated Glorieta oil pool through parallel strings of tubing.

CASE 1415:

Application of Phillips Petroleum Company for authority to effect an oil-oil dual completion and to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Santa Fe Well No. 18, located in the NW/4 NE/4 of Section 34, Township 17 South, Range 35 East, Lea County, New Mexico, in such a manner as to produce oil from the Yates formation adjacent to the Vacuum-Yates Pool and from the Vacuum (San Andres) Pool through parallel strings of tubing. Applicant further seeks authority to commingle the oil produced from the separate reservoirs in common storage after measuring the Yates oil through dump-type meters.

CASE 1416:

Application of Aztec Oil and Gas Company for a non-standard location. Applicant, in the above-styled cause, seeks an order authorizing a non-standard gas well location for its Culpepper-Martin Well No. 9, to be located 1850 feet from the North line and 1950 feet from the West line of Section 30, Township 32 North, Range 12 West, Blanco Mesaverde Pool, San Juan County, New Mexico.

CASE 1417:

Application of Sinclair Oil and Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. York "B" Well No. 2, located in the NE/4 NE/4 Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, to produce oil from the Tubb Gas Pool and from the Drinkard Oil Pool through parallel strings of tubing.

CASE 1418:

Application of Shell Oil Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the transportation, prior to measurement, of oil produced on its E. W. Mudge No. 4 Lease, comprising All of Sections 21, 28, 33, and 34, to its L. M. Phillips No. 2 Lease, comprising the S/2, NE/4, and Lots 1 and 2 of Section 4, N/2 Section 9, SW/4 and E/2 Section 10, All Section 15, N/2 and SE/4 Section 22, and W/2 Section 27,

-4-

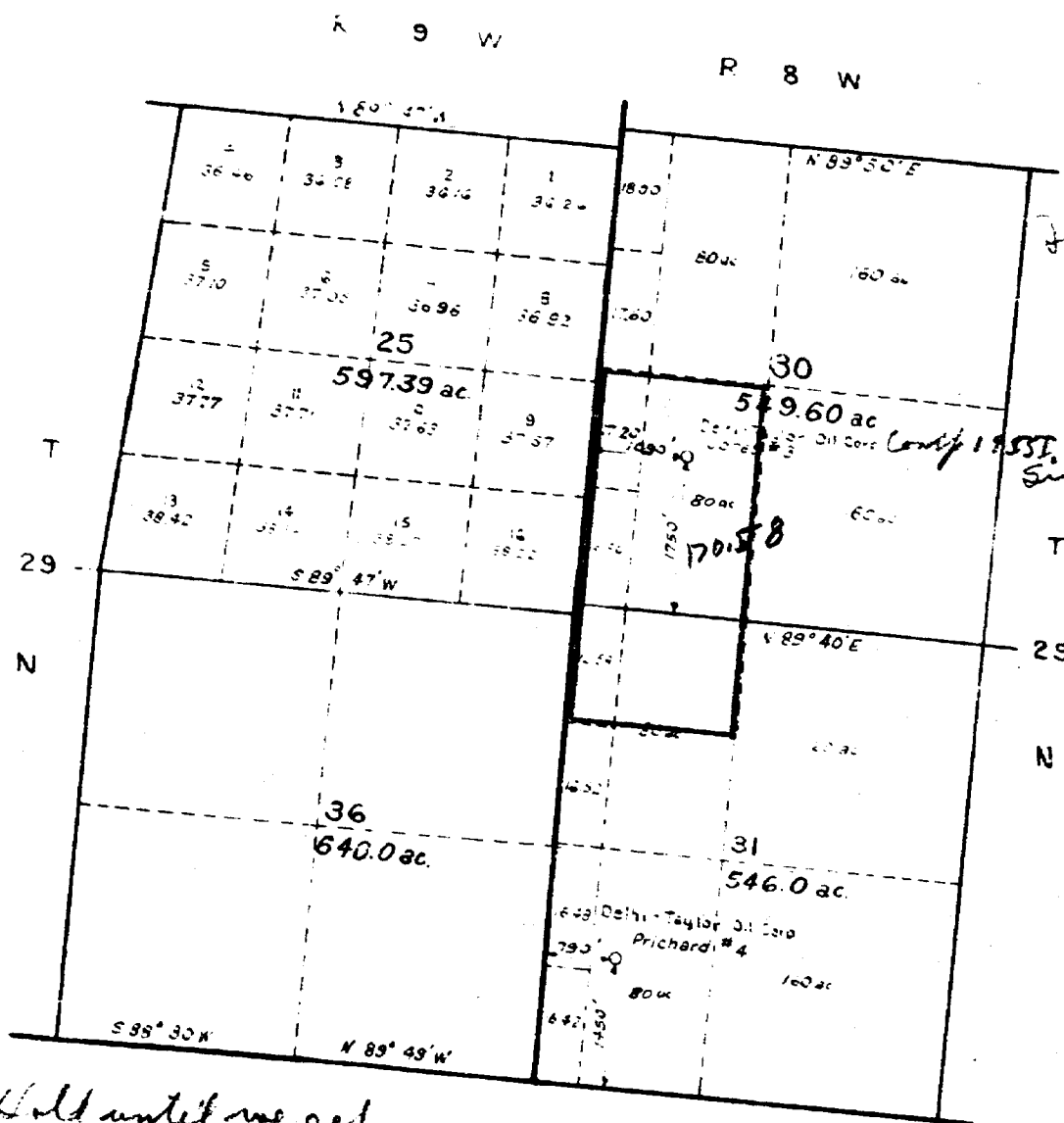
Docket No. 10-58

Examiner Hearing April 9, 1958

CASE 1418

Continued: all in Township 25 North, Range 12 West, San Juan County,
New Mexico. Applicant further seeks authority to commingle
the production from each of said leases after separately
measuring said production by means of positive displacement
meters.

ir/



*Note. Hold until we get.
Ownership statement of the
Unit.

Note: The above Plat based on plats
from the Surveyor General's Office
Santa Fe, New Mexico.
T29N-R8W dated April 10, 1951.
T29N-R8W dated July 2, 1952.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 1
CASE 1408

CASE 1408
DELHI - TAYLOR OIL CORPORATION
SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 29 NORTH, RANGES 8 & 9 WEST
SECTIONS 30, 31 & 25, 36
SCALE: 1" = 2000'