

CASE 2806: Application of SUN OIL  
for ACTIVE RESISTANCE in

CASE No.  
2206

Application,  
TRANSCRIPTS,  
SMALL Exhibits  
ETC.



Support Your  
Mental Health  
Association



91 2 8 AM 03 MAY 1963  
To State of New Mexico

Oil Conservation Commission

P.O. Box #871, Santa Fe New Mexico

01)

DATE May 15th, 1963

USE THIS CARD TO NOTIFY YOUR CORRESPONDENTS OR  
PUBLISHER OF CHANGE OF ADDRESS

All correspondence and/or  
notices or releases

EFFECTIVE AS OF May 15th, 1963  
PLEASE CHANGE MY ADDRESS—

FROM 405 Launiu Street Honolulu 15, Hawaii  
(NO.) (STREET OR AVENUE)

(CITY) (ZONE NO.) (STATE)

TO 603 Coral Street o/o Bindings Hawaii  
(NO.) (STREET OR AVENUE)

Honolulu 13, Hawaii  
(CITY) (ZONE NO.) (STATE)

Allis Varga  
(PRINT NAME HERE)

Allis Varga  
(SIGN NAME HERE)

c16-44383-4 GPO

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
E. B. JOHNNY WALKER  
MEMBER

P. O. BOX 871  
SANTA FE

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

June 11, 1963

Mr. Howard Bratton  
Hervey, Dow & Hinkle  
Attorneys at Law  
Box 10  
Roswell, New Mexico

Re: Case No. 2806  
Order No. R-2499  
Applicant:  
Sun Oil Company

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.*

A. L. PORTER, Jr.  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC     x    

Artesia OCC           

Antec OCC           

OTHER                                   

Copies of the order sent to persons listed on the application  
circled in red.

DRAFT

JMD/esr  
June 7, 1963

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. 2806

Order No. R- 2499

APPLICATION OF SUN OIL COMPANY  
FOR COMPULSORY POOLING, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 22, 1963, 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 June, 1963, 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, Sun Oil Company, seeks an order pooling all royalty interests in the Oil Center-Blinebry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That all of the working interest owners in the W/2 SW/4 of said Section 3 have agreed to pool their interests.

(4) That some of the ~~the~~ royalty interest owners in the W/2 SW/4 of said Section 3 have not agreed to pool their interests.

(5) That the applicant has the right to drill and proposes to drill a well in the Oil Center-Blinebry Pool underlying the

W/2 SW/4 of said Section 3 and has offered each non-consenting interest owner whose identity and address is known an opportunity to join with the applicant.

(6) That the W/2 SW/4 of said Section 3 can be efficiently and economically drained by one well.

(7) That to avoid the drilling of unnecessary wells, to protect correlative rights, to afford to the owner of each interest in said proration unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in the Oil Center-Blinebry Pool, and to prevent waste, the subject application should be approved by pooling all royalty interests within said unit.

*said Section 3*  
(8) That all proceeds from production from the ~~subject well~~ *W/2 SW/4 of* which are not disbursed for any reason should be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership.

(9) That Sun Oil Company should be designated the operator of the ~~subject well and unit.~~ *W/2 SW/4 of said Section 3.*

IT IS THEREFORE ORDERED:

(1) That all royalty interests in the Oil Center-Blinebry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby pooled to form an 80-acre oil proration unit.

(2) That Sun Oil Company is hereby designated the operator of the ~~subject well and unit.~~ *said 80-acre oil proration unit.*

(3) That all proceeds from production from the ~~subject well~~ *said unit* which are not disbursed for any reason shall be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. The Commission shall be notified as to the name and address of said escrow agent within 90 days *after completion of the well on said unit.* ~~from the date of this order.~~

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 5/22/63

CASE 2806

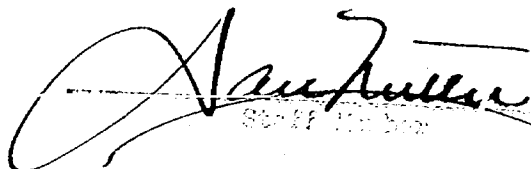
Hearing Date 9am 5/22/63

D#6 @ SF

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

Enter an order pooling all interests  
in the Oil Center - Blinberry Oil Pool  
underlying the  $W\frac{1}{2}$  SW $\frac{1}{4}$  of Sec 3,  
Twp 21 S, Rge 36 E, to form a standard  
80-acre proration unit for said pool.

Find that all working interests  
in the 80 acre unit have agreed  
to form the unit as have 85.52%  
of the royalty interests.

  
\_\_\_\_\_  
Commissioner



2806

# SUN OIL COMPANY

SOUTHWEST DIVISION

P. O. BOX 2880

DALLAS 21, TEXAS

103 APR 1963 A. S. SHEA  
SUPT. OPERATING DEPT

TOM F. HILL  
MANAGER  
CECIL A. COLVILLE  
ASSISTANT MANAGER

April 19, 1963

RE: Oil-Center Blinebry Pool  
Lea County, New Mexico:  
Unitization of 80-acre proration  
and drilling unit consisting of  
W/2 of SW/4, Sec. 3, T21S, R36E

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

Gentlemen:

Sun Oil Company respectfully requests that an examiner hearing be set in Santa Fe, New Mexico at the earliest convenient time to hear Sun's application for the unitization of the subject drilling unit. To date 100% of the working interest owners and 85.31% of the royalty interest owners have agreed to the pooling of their interests in this unit. No royalty owner has refused to pool his interest but we have had no reply to three letters and one telegraphic request from seven owners.

Attached is a list of the names and addresses of the royalty interest owners in the proposed unit with those whose signatures have not been received indicated thereon by an asterisk. Skelly Oil Company, Box 1650, Tulsa, Oklahoma, is the other working interest owner within this unit.

Your consideration in this matter will be appreciated.

Very truly yours,

SUN OIL COMPANY

A. R. Ballou

By: *Granville Dutton*  
Granville Dutton

GD:mo

Attach.

cc Mr. S. B. Christy  
Hervey, Dow & Hinkle  
P. O. Box 10  
Roswell, New Mexico

J. A. Akens "A" Oil Unit

Lea County, New Mexico

1963 APR 11 AM 5:31

Abraham Abramson  
125 West 76th Street  
New York 23, New York

Atlantic Refining Company  
P. O. Box 354  
Dallas, Texas

J. R. Bower Jr.  
525 Wilson Building  
Dallas, Texas

Mrs. Kate E. Bower  
525 Wilson Building  
Dallas, Texas

Nelle P. Brower  
10770 Lindbrook Drive  
Los Angeles 24, California

The Chase Manhattan Bank, Assignee  
1 Chase Manhattan Plaza  
Attn: Petroleum Dept.  
Argo Prod. Payment  
New York 15, New York

Chase Manhattan Bank for A/C of  
Owners of Houston Prod. Payments  
Attn: Petroleum Dept.  
18 Pine Street  
New York 15, New York

Emma Coleman  
Canyon, Texas

Emma L. Coleman & Levi Cole  
Co-Exec. of the Estate of  
O. L. Coleman, Dec'd.  
Box 278  
Canyon, Texas

Marjorie Cone Castman, Gdn. of  
S. E. Cone, NCM  
Room 1706  
Great Plains Life Building  
Lubbock, Texas

James D. Corbett  
Suite 333  
139 S. Beverly Drive  
Beverly Hills, California

John L. Frothingham  
2010 Two Penn Center Plaza  
Philadelphia 2, Pennsylvania

General Crude Oil Company  
Box 2252  
Houston, Texas

Mrs. Eunice Cone Gibson  
2514 Altura Blvd.  
El Paso, Texas

Josephine Grimes & Oscar L. Grimes  
Co-Exec. of Estate of  
Charles W. Grimes, Dec'd.  
Box 1175  
Tulsa 1, Oklahoma

W. E. F. Holding, Inc.  
c/o Norman C. Nicholson  
521 Fifth Avenue  
New York 17, New York

Dena Ida Koenig, Ind. Exec. of Est. of  
E. J. Koenig, Dec'd.  
c/o Barr & Carmody  
1106 Kirby Building  
Dallas 1, Texas

George T. Larson  
5239 East 17th Avenue  
Denver 7, Colorado

Frank O. Long  
3204 Wycliff  
Dallas, Texas

Mrs. Exor Megan, Gdn of the Est. of  
Mrs. Maude Eagle Pfouts, NCM  
(address unknown)

Mobil Oil Company  
P. O. Box 900  
Dallas 21, Texas

\* Albert Muldavin  
e/o Bank of America  
Columbus Branch  
1435 Stockton Street  
San Francisco, California

O. L. Nistar  
Box 1281  
Lubbock, Texas

Mrs. Elizabeth Hudson Penn  
1065 Hartford Building  
Dallas 1, Texas

Robert Lee Penn  
1065 Hartford Building  
Dallas 1, Texas

Nancy Elizabeth Penson  
1065 Hartford Building  
Dallas 1, Texas

Petroleum Landowners Corp., Ltd.  
750 S. Rampart Blvd.  
Los Angeles 57, California

Petrust Corp. of America  
c/o Norman C. Nicholson  
521 Fifth Avenue  
New York 17, New York

DOCKET MAILED

Date 5/11/63

Dockets for  
May 22nd

mailed

5/10/63

JK

P. H. Pewitt  
405 SW Reserve Life Bldg.  
Longview, Texas

Mary Vern Ransom  
529 W. Howard  
Whittier, California

N. R. Royall, III - for the  
Estate of N. R. Royall, Jr., Dec'd.  
710 Vaughn Bldg.  
Dallas, Texas

Mrs. Fannie May Royall  
710 Vaughn Building  
Dallas, Texas

Mrs. Frances K. Royall  
710 Vaughn Building  
Dallas, Texas

\* Royalty Roundup, Inc.  
P. O. Box 5615  
Midland, Texas

\* L. H. & Helen H. Sanders  
Jt. Ten. of Surv.  
c/o Max Hesslein & Company  
19 Rector Street  
New York 6, New York

\* Charles H. Sanford  
c/o Max Hesslein & Company  
19 Rector Street  
New York 6, New York

Skelly Oil Company  
Box 1650  
Tulsa, Oklahoma

Jack Stieren  
110 E. Petroleum Center  
900 N. E. Military Drive  
San Antonio 5, Texas

J. H. Williams  
c/o S. E. Cone Grain & Seed Co.  
Box 608  
Lubbock, Texas

Nora Walker  
302 Waide Street  
Lubbock, Texas

Fred Antry  
4413 East 23rd Street  
Tulsa, Oklahoma

Sun Oil Company  
P. O. Box 2880  
Dallas, Texas

\* Allis Varga  
405 Launiu Street  
Honolulu 15, Hawaii

\* Unsigned

DOCKET M. ILED

Date 5-11-63

DOCKET MAILED

Date 5-10-63

*for May 22nd  
filing*

J. M. HERVEY 1874-1953  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV  
LEWIS C. COX, JR.  
PAUL W. EATON, JR.  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
HINKLE BUILDING  
ROSWELL, NEW MEXICO  
April 23, 1963

2806  
TELEPHONE 622-6510  
AREA CODE 505  
POST OFFICE BOX 10

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

Gentlemen:

Enclosed herewith please find three copies of an Application by Sun Oil Company for forced pooling of an 80-acre proration unit, being the W $\frac{1}{2}$ S $\frac{1}{2}$  Section 3, Township 21 South, Range 36 East, N.M.P.M.

As set out in the request, please set this matter down for an Examiner Hearing at the earliest available date. Thank you for your attention to this matter.

Very truly yours,

HERVEY, DOW & HINKLE

*Howard C. Bratton*  
Howard C. Bratton

DOCKET MAILED

~~Date~~ 5/1/63

HCB:lm  
Enclosures

cc: Granville Dutton  
Sun Oil Company  
P. O. Box 2880  
Dallas 21, Texas

DOCKET MAILED

~~Date~~ 5-10-63

*for May 22nd  
Hearing*

DOCKET: REGULAR HEARING - WEDNESDAY - MAY 15, 1963

OIL CONSERVATION COMMISSION - 9 A.M., ELKS CLUB, 200 NORTH RICHARDSON  
AVENUE, ROSWELL, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for June, 1963.
- (2) Consideration of the allowable production of gas for June, 1963, from ten prorated pools in Lea and Eddy Counties, New Mexico, and also presentation of purchasers' nominations for said pools for the six-month period beginning July 1, 1963; consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico for June, 1963.
- CASE 2802: Application of J. R. Cone for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cone Jalmat Yates Pool Unit Area comprising 1,760 acres of State land in Township 22 South, Range 35 East, Lea County, New Mexico.
- CASE 2803: Application of J. R. Cone for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Yates formation, Jalmat Pool, through 4 wells located in Units J, L and N of Section 13, and Unit D of Section 24, Township 22 South, Range 35 East, Lea County, New Mexico.
- CASE 2804: Application of John W. Gates for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in the White City-Pennsylvanian Gas Pool underlying all of Section 29, Township 24 South, Range 26 East, Eddy County, New Mexico.
- CASE 2805: Application of Newmont Oil Company for an amendment of Order No. R-2178-B. Applicant, in the above-styled cause, seeks an amendment of Order No. R-2178-B, which order established an administrative procedure for expansion by stages of the Loco Hills Sand Unit Waterflood Project, Eddy County, New Mexico. Said amendment is necessitated by unexpected delay in commencing initial injection in the unit area.
- CASE 2806: Application of Sun Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause,

seeks an order force pooling all mineral interests in the Oil-Center Blinbry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, Lea County, New Mexico.

CASE 2807: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider a revision of Rule 1301 of the Commission Rules and Regulations to include Grant, Sierra, Hidalgo, and Luna Counties in Oil Conservation Commission District No. 2, headquarters Artesia, New Mexico.

CASE 2808: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider a revision of Rule 112 of the Commission Rules and Regulations to permit the administrative approval by the Secretary-Director of the Commission of triple completions (conventional).

CASE 2809: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider a revision of Rule 701-B, 701-C, and 701-E of the Commission Rules and Regulations insofar as said rules relate to the method of making application for hearings or administrative approval for injection or disposal wells.

CASE 2810: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the revision of Rule 401 of the Commission Rules and Regulations to require open flow potential tests of natural gas wells upon completion and after workovers only rather than annually as now required.

CASE 2811: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the revision of Rule 402 of the Commission Rules and Regulations to require shut-in pressures of natural gas wells annually only rather than semi-annually as now required.

CASE 2812: Southeastern New Mexico nomenclature case calling for an order for the creation, contraction, abolishment, and extension of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) Create a new gas pool for Strawn production, designated as the Antelope Sink-Strawn Gas Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM  
Section 30: All

- (b) Create a new oil pool for Abo production, designated as the Midway-Abo Pool, and described as:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Section 9: S/2  
Section 16: NW/4  
Section 17: NE/4

- (c) Create a new oil pool for San Andres production, designated as the Penasco-San Andres Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 25: NW/4

- (d) Contract the Robinson (Grayburg-San Andres) Pool in Eddy and Lea Counties, New Mexico, by deletion of the following-described acreage in Eddy County:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 25: S/2 and S/2 NE/4  
Section 35: All  
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 1: S/2 and E/2 NW/4  
Section 2: All  
Section 11: E/2 and N/2 NW/4

- (e) Abolish the North Robinson-Queen-Grayburg-San Andres Pool in Eddy County, described as:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 24: NE/4

- (f) Extend the Grayburg-Jackson Pool to include:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 24: W/2 SE/4 and SW/4 NE/4  
Section 25: S/2 and NE/4  
Section 35: All  
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 1: N/2 and E/2 SE/4  
Section 2: All  
Section 11: All

- (g) Extend the Artesia Pool to include:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM  
Section 24: SE/4

- (h) Extend the Corral Canyon-Delaware Pool to include:

TOWNSHIP 25 SOUTH, RANGE 30 EAST, NMPM  
Section 17: W/2 SW/4  
Section 20: NW/4 NW/4

- (i) Extend the Henshaw-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM  
Section 23: SE/4

- (j) Extend the High Lonesome Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM  
Section 20: E/2 E/2

- (k) Extend the Inbe-Pennsylvanian Pool to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM  
Section 18: W/2 NE/4 and NW/4

- (l) Extend the North Justis-Blinebry Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 2: S/2 NE/4 and SE/4

- (m) Extend the North Justis-Devonian Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 2: SW/4

- (n) Extend the North Justis-Tubb Drinkard Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 2: SW/4

- (o) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM  
Section 2: SE/4

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM  
Section 1: N/2 NE/4



- (p) Extend the Sawyer-San Andres Gas Pool to include:

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM  
Section 31: SE/4

- (q) Extend the Vacuum-Devonian Pool to include:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 35: NE/4  
Section 36: NW/4

- (r) Extend the Vacuum-Glorieta Pool to include:

TOWNSHIP 17 SOUTH, RANGE 4 EAST, NMPM  
Section 36: SW/4

- (s) Extend the Wantz-Abo Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
Section 26: SW/4  
Section 35: W/2

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 2: All

- (t) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM  
Section 33: S/2 SE/4  
Section 34: SW/4 SW/4

- (u) Extend the Diablo-San Andres Pool to include:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM  
Section 21: NE/4 NE/4  
Section 22: NW/4 NW/4

- (v) Extend the Windmill-San Andres Pool to include:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM  
Section 10: W/2 SW/4  
Section 15: NW/4 NW/4

- (w) Extend the West Allison-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM  
Section 36: NE/4

- (x) Extend the Milnesand-San Andres Pool to include:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM

Section 1: S/2 SE/4

Section 12: NE/4

Section 24: SW/4

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM

Section 5: N/2 SE/4

- (y) Extend the South Prairie-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM

Section 15: SE/4

CASE 2813:

Northwestern New Mexico nomenclature case calling for an order extending certain existing pools in Rio Arriba, San Juan, and Sandoval Counties, New Mexico.

- (a) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 14: SW/4

Section 23: N/2

Section 24: NW/4

- (b) Extend the Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 20: S/2

- (c) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 2: All

Section 3: E/2

Section 11: All

Section 12: W/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 34: SW/4

- (d) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM

Partial Section 18: All

Partial Section 19: All

- (e) Extend the Puerto Chiquito-Gallup Oil Pool to include:

TOWNSHIP 27 NORTH, RANGE 1 EAST, NMPM  
Section 20: SE/4 SW/4

- (f) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 15 WEST, NMPM  
Section 10: SE/4 SW/4

iqg/

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

May 7, 1963

C  
O  
P  
Y  
Mr. Howard C. Bratton  
Hervey, Dow & Hinkle  
Attorneys at Law  
Post Office Box 10  
Roswell, New Mexico

Dear Howard:

Confirming our telephone conversation of this date, Case No. 2906, application of Sun Oil Company, will be continued from the May 15, 1963 hearing in Roswell and readvertised for the May 22nd Examiner Hearing to be held at 9 o'clock a.m., at the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico.

This of course, was necessitated by an error in the legal notice for the May 15th hearing for this case.

Very truly yours,

J. M. DURRETT, Jr.  
Attorney

JMD/ir

cc: Albert Muldavin  
Charles H. Sanford  
Royalty Roundup, Inc.  
Jack Stieren  
L. H. & Helen H. Sanders  
Allis Varga

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1963

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

---

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

- CASE 2814: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Stanley L. Jones and Sam Watkins and all other interested parties to appear and show cause why La Esperanza State Well No. 1, located in Unit D of Section 10, Township 19 South, Range 29 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2815: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corine Foster dba Corine Foster Oil Company and all other interested parties to appear and show cause why the Corine Foster Oil Company Ohio Farris Well No. 1, located in Unit P of Section 4, Township 19 South, Range 26 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2816: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit C. T. Robertson and all other interested parties to appear and show cause why the Honolulu-State "B" Wells Nos. 4 and 5 in Units G and H respectively, of Section 11, Township 11 South, Range 27 East, Chaves County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2817: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Fred M. Allison and C. T. Robertson and all other interested parties to appear and show cause why the Honolulu State "A" Wells Nos. 1, 2, 3, 4, and 5, located in Units D, C, E, F, and D, respectively, of Section 14; the Honolulu State "B" Wells Nos. 1, 2, and 3, located in Units I, O, and J, respectively, of Section 11; and the Magnolia State Well No. 1, located in Unit F of Section 11, all in Township 11 South, Range 27 East, Chaves County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2818: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West McDonald Unit Area comprising 2,560 acres of State and Fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.
- CASE 2819: Application of M. F. Abraham for a unit agreement, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Star Lake Unit Area comprising 22,358 acres of Federal, State, Indian and Fee lands in Townships 18 and 19 North, Ranges 5 and 6 West, McKinley County, New Mexico.
- CASE 2820: Application of Texas Pacific Coal & Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration

unit comprising the NE/4 of Section 20 and the NW/4 of Section 21 Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its State "A" A/c-1 Well No. 6, located 2310 feet from the North line and 1650 feet from the West line of said Section 21.

- CASE 2821: Application of D. W. Falls, Inc. for an extension of Order No. R-2213, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the extension of Order No. R-2213, which order assigned a temporary deliverability for allowable purposes to applicant's Federal Well No. 2-11, located in Unit O of Section 11, Township 28 North, Range 13 West, Basin-Dakota Gas Pool, San Juan County, New Mexico.
- CASE 2822: Application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SE/4 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, to be dedicated to its J. N. Carson Well No. 6 located in Unit P of said Section 28.
- CASE 2823: Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its Southland Royalty "A" Well No. 4, located in Unit X of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, to produce oil from the Drinkard and Blinebry formations through parallel strings of tubing and gas from the Tubb Gas Pool through the casing annulus.
- CASE 2824: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (combination) of its State "O" Well No. 14, located in Unit J of Section 36, Township 17 South, Range 34 East, Lea County, New Mexico, to produce oil from the North Vacuum-Abo and the Vacuum-Wolfcamp Pools through parallel strings of 2 7/8-inch casing and from the Vacuum-Devonian Pool through 1 1/2-inch tubing installed within 3 1/2-inch casing, all casing strings to be cemented in a common well bore.
- CASE 2825: Application of Sinclair Oil & Gas Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State Lea 403 Well No. 4 located in Unit D of Section 17, Township 18 South, Range 35 East, Lea County, New Mexico, to produce oil from the Bone Springs and Devonian formations through parallel strings of tubing.
- CASE 2826: Application of Texaco, Inc. for a triple completion and for certain administrative procedures, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (combination) of its State "L" Well No. 6 located in Unit B of Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, to produce oil from the Vacuum Wolfcamp Pool and an undesignated Pennsylvanian pool through

parallel strings of 2 7/8 inch casing and from the Vacuum-Devonian Pool through 1 1/2 inch tubing installed within 3 1/2 inch casing, all casing strings to be cemented in a common well bore. Applicant further seeks a procedure whereby 1 1/2 inch tubing for Devonian production in this field may be approved administratively.

CASE 2806:

(Continued from May 15, 1963 Hearing)

Application of Sun Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order for pooling all mineral interests in the Oil-Center Blinbry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, Lea County, New Mexico.

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. 2806  
Order No. R-2499

APPLICATION OF SUN OIL COMPANY  
FOR COMPULSORY POOLING, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 22, 1963, 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 11th day of June, 1963, 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, Sun Oil Company, seeks an order pooling all royalty interests in the Oil Center-Blinebry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That all of the working interest owners in the W/2 SW/4 of said Section 3 have agreed to pool their interests.

(4) That some of the royalty interest owners in the W/2 SW/4 of said Section 3 have not agreed to pool their interests.

(5) That the applicant has the right to drill and proposes to drill a well in the Oil Center-Blinebry Pool underlying the W/2 SW/4 of said Section 3 and has offered each non-consenting interest owner whose identity and address is known an opportunity to join with the applicant.

(6) That the W/2 SW/4 of said Section 3 can be efficiently and economically drained by one well.



-2-

CASE 2806

Order No. R-2499

(7) That to avoid the drilling of unnecessary wells, to protect correlative rights, to afford to the owner of each interest in said proration unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in the Oil Center-Blinebry Pool, and to prevent waste, the subject application should be approved by pooling all royalty interests within said unit.

(8) That all proceeds from production from the W/2 SW/4 of said Section 3 which are not disbursed for any reason should be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership.

(9) That Sun Oil Company should be designated the operator of the W/2 SW/4 of said Section 3.

IT IS THEREFORE ORDERED:

(1) That all royalty interests in the Oil Center-Blinebry Pool underlying the W/2 SW/4 of Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby pooled to form an 80-acre oil proration unit.

(2) That Sun Oil Company is hereby designated the operator of the said 80-acre oil proration unit.

(3) That all proceeds from production from the said unit which are not disbursed for any reason shall be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. The Commission shall be notified as to the name and address of said escrow agent within 90 days after completion of a well on said unit.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

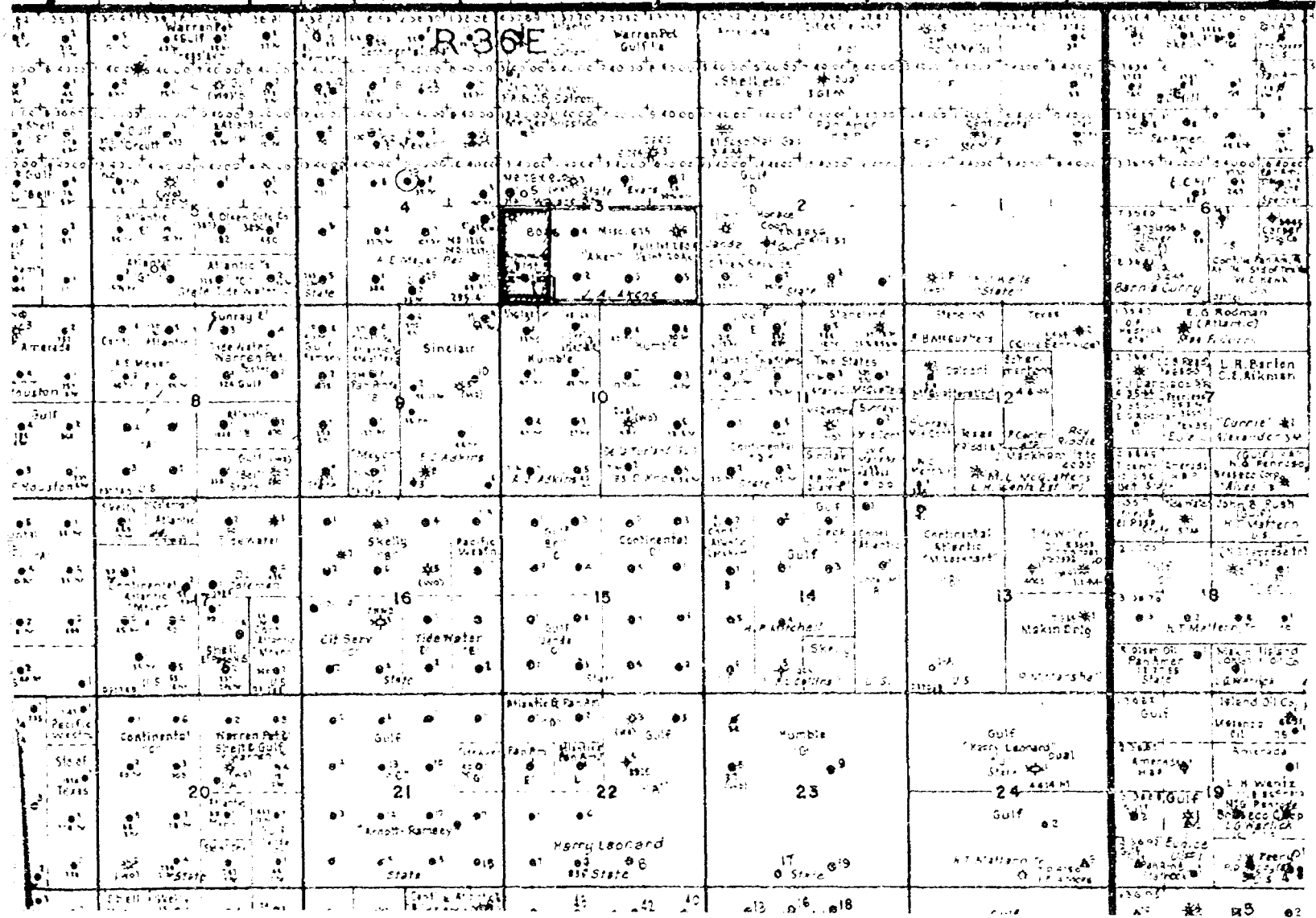
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*E. S. Walker*  
E. S. WALKER, Member

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

esr/





DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

BEFORE THE  
OIL CONSERVATION COMMISSION  
Roswell, New Mexico  
May 15, 1963

IN THE MATTER OF:

Application of Sun Oil Company for com-  
pulsory pooling, Lea County, New Mexico.  
Applicant, in the above-styled cause,  
seeks an order force pooling all mineral  
interests in the Oil-Center Elinebry Pool  
underlying the W/2 SW/4 of Section 3,  
Township 21 South, Range 36 East, Lea  
County, New Mexico.

Case 2806

BEFORE: Honorable Jack H. Campbell  
Mr. A. L. "Pete" Porter  
Mr. E. S. "Johnny" Walker

TRANSCRIPT OF HEARING

MR. PORTER: We will take up Case 2806.

MR. DURRETT: Application of Sun Oil Company for com-  
pulsory pooling, Lea County, New Mexico.

If the Commission please, I would like to move to continue  
this case to the May 22 Examiner Hearing on this basis: We  
determined only a few days ago that there was a defect in one  
of the advertisements that was put out advertising this case.  
Therefore, we consulted with the attorney for the applicant  
and he desired not to proceed at this time.

We will readvertise the case and continue the case to the  
May 22 Examiner Hearing. We have notified all persons who we were



informed were going to contest the case by mail that it would be continued, that it would not be heard at this time since there was a defect.

MR. PORTER: You've heard counsel's motion to continue this case. Any objections? It's a faulty ad, I don't know what good an objection would do, so the case will be continued until the 22nd.

STATE OF NEW MEXICO )  
 ) ss  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Roswell, 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 4th day of June, 1963.

  
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

PLEASE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
May 22, 1963

EXAMINER HEARING

IN THE MATTER OF:

(Continued from May 15, 1963 Hearing)

Application of Sun Oil Company for compulsory  
pooling, Lea County, New Mexico. Applicant,  
in the above-styled cause, seeks an order  
force pooling all mineral interests in the  
Oil-Center Blinbry Pool underlying the W/2  
SW/4 of Section 3, Township 21 South, Range  
36 East, Lea County, New Mexico.

CASE 2806

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2806.

MR. DURRETT: Application of Sun Oil Company for com-  
pulsory pooling, Lea County, New Mexico.

MR. BRATTON: Howard Bratton, Roswell, appearing on  
behalf of the Applicant. Mr. Granville Dutton from Dallas will  
be associated with us in the case, and he'll conduct the case.  
We have one witness.

(Witness sworn.)

MR. DUTTON: Mr. Examiner, Sun Oil Company has the  
right to drill a well on this tract, by virtue of the leases they  
have taken in the area, and is applying today for a pooling order  
under Chapter 65, Article 3, Section 14, which would designate  
Sun Oil Company as the operator of this unit. We would like to



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325.1182

SANTA FE, N. M.  
PHONE 983.3971

ALBUQUERQUE, N. M.  
PHONE 243.6691

ask that the Examiner take administrative notice of Order No. R-2498, which establishes temporary 80-acre oil spacing units within the Oil Center-Blinebry Pool. At this time I would like to have our one witness present the information in his knowledge.

G. A. BURR, JR.

called as a witness, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. DUTTON:

Q Will you state your name for the record, please?

A G. A. Burr, Jr.

Q By whom are you employed, and where?

A Sun Oil Company, Dallas office.

MR. NUTTER: How do you spell that last name, please?

A B-u-r-r.

MR. NUTTER: Thank you.

Q (By Mr. Dutton) In your capacity, has the pooling of J. J. Akins Oil Unit in the Oil Center-Blinebry Pool come under your supervision?

A Yes, it has.

Q Where is this unit located?

A It covers the West Half of the Southwest Quarter of Section 3, Township 21 South, Range 36 East, Lea County, New Mexico.

Q Do you have a plat showing this unit?



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

A Yes, sir, I do. I have two plats, one, our County plat on a one-inch to 4,000-foot scale, and a one-inch to 1,000-foot scale.

(Whereupon, Applicant's Exhibits Nos. 1 & 2 marked for identification.)

MR. DUTTON: I would like to introduce these exhibits as Sun Oil Company's Exhibits 1 and 2.

MR. NUTTER: We will defer admission until later in the case.

Q (By Mr. Dutton) Are you acquainted with the efforts to pool this unit?

A Yes, I am.

Q Would you describe them?

A There are two leasehold owners within the unit, being Sun and Skelly. Sun owns 75 percent, Skelly owns 25 percent. There are a total of 42 royalty interest owners within the proposed 80-acre unit. We have 85.52 percent of these interests committed. There are three unsigned owners, one living in San Francisco, from whom we have not heard. There are two who live in New York City, and we have been advised that one has recently undergone surgery, while the other one is in Europe at the present time. We have had no refusals as such from these different people.

Q Mr. Burr, is it not true that Skelly has agreed to both the pooling agreement and the operator's agreement for this unit?





DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

A Yes, sir, they have.

Q Do the leases covering this particular unit have pooling authority?

A No, sir, they are very old leases taken in 1926 and 1928 and do not have a pooling provision in them.

Q You mentioned that there were 42 royalty owners in the unit that had been contacted. To the extent of your knowledge, do these represent all of the royalty interest owners under this pool?

A Yes, sir.

Q Would you briefly describe the efforts you have made with respect to dates and communications to contact the three royalty owners from whom we have not heard?

A Yes, sir. We wrote these three people on February 13, March 12, April 5, all in 1963; and we telegraphed them on March 28, 1963.

Q With respect to the plats that we have introduced, did you have those prepared by the Civil Engineering Department?

A Yes, I did.

MR. DUTTON: That concludes Sun Oil Company's direct case.

MR. NUTTER: Any questions of Mr. Burr?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Burr, with your application in this case you attached



**DEARNLEY-MEIER REPORTING SERVICE, Inc.**

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

a list of quite a few royalty owners. Could you indicate the three on this list that are not signed?

A Yes. Mr. Albert Muldavin in San Francisco.

Q His address is Care of the Bank of America?

A Yes, sir. L. H. and Ellen H. Sanders in New York, and Charles H. Sanford.

Q That's care of Max Heslen and Company?

A Yes, sir.

Q And just before that on the list, L. H. and Ellen H. Sanders?

A Yes.

Q The Oil Conservation Commission had some correspondence from Alice Varga and --

A James Corbett.

Q Who?

A James Corbett.

Q Corbett, James Corbett, relating to this application. Have they signed?

A Yes, they have.

Q And you have your working interest 100 percent signed?

A Yes, sir.

MR. NUTTER: Any other questions of Mr. Burr? He may be excused.

(Witness excused.)

MR. NUTTER: Sun Oil Company's Exhibits 1 and 2 will



be admitted in evidence in this case.

(Whereupon, Applicant's Exhibits  
Nos. 1 & 2 received in evidence.)

MR. NUTTER: Do you have anything further, Mr. Dutton?

MR. DUTTON: No, sir, I don't.

MR. NUTTER: Does anyone have anything they wish to  
offer in Case 2806? We will take the case under advisement.

\* \* \*

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, ADA DEARNLEY, Notary Public in and for the County of  
Bernalillo, State of New Mexico, do hereby certify that the  
foregoing and attached Transcript of Hearing before the New Mexico  
Oil Conservation Commission was reported by me, and that the  
same is a true and correct record of the said proceedings, to the  
best of my skill and ability.

WITNESS my Hand and Seal this 2nd day of June, 1963.

*Ada Dearnley*  
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 2806  
heard by me on 6/22, 1963.

*Asun*, Examiner  
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

SANTA FE, N. M.  
PHONE 983-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

