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New Mexico OIL CONSERVATION COMMISSION

STATE GEOLOGIST W.B. MACEY
SECRETARY - DIRECTOR



BOX 697 AZTEC, NEW MEXICO

June 26, 1956

Oil Conservation Commission Box 871 Santa Fe, New Mexico

Att: Mr. Warren Mankin

Dear Warren:

Reference is made to the note which you have sent, along with a copy of Humble Oil & Refining Company's application for NWU covering the 124.14-acre unit for their #2 Jicarilla-Apache, SW/4 Section 19-24N-4W.

This well is in an undesignated Pictured Cliffs Pool and would therefore be handled as a wildcat. I am at the present time a little confused as to what our procedure should be for non-standard units on wildcat wells. I believe that it is generally covered at the present time by Rule 104, Paragraph (b) which says that "a wildcat well should be located on a tract of not less than 160 acres substantially in the form of a square which is a quarter-section." In our proposed revision to Rule 104 we have suggested that the wording be changed from "at least" to "approximately". At any rate, whether the rule is written as it is now or as we have proposed there are no provisions in Rule 104 stating how an exception may be granted where the well is a wildcat. We have therefore been using pool rules as set up in other Pictured Cliffs pools and I am not sure that this is proper.

I am inclined to think that the best way to handle the problem sofar as wildcat acreage dedications are concerned is that we accept acreage dedications which are legal subdivisions being quarter-sections as being standard units, regardless of their acreage. At such time as the pool rules are formulated we could take up the matter of further approval.

At any rate I see no reason why NWU-179 should not be approved, but as Rule 104 now reads I am not sure by what authority you are granting the approval.

Yours very truly

Emery C / Arnold

Supervisor, District #3

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MUU - 179

MIDLAND. TEXAS

June 7, 1956

J. W. HOUSE

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

Gentlemen:

Reference is made to Mr. A. R. Kendrick's letter dated May 24, 1956, regarding Form C-128 submitted on Humble's Jicarilla Apache Tribe of Indians "D" Well No. 2, SW/4 Section 19, T-24-N, R-4-W, Rio Arriba County, New Mexico, and the dedication of only 124.14 acres to said well.

Rule 104, Paragraph (d) and (i) of the New Mexico Öil Conservation Commission Rules and Regulations, requires that a gas well be located on a tract consisting of not less than a quarter of a section of approximately 160 surface contiguous acres substantially in the form of a square with a tolerance of from 158 to 162 acres. Since this unit contains only 124.14 acres, we request administrative approval since the shortage is due to the fact that the well is located on a short section. Please refer to attached plat.

We have furnished the offset operators a copy of this request by certified mail.

Yours very truly,

HUMBLE OIL & REFINING COMPANY

H & Klenola

J. W. HOUSE, Division Superintendent

By:

Asst. Div. Superintendent

AJT/se Attachment

cc: Mr. A. R. Kendrick, Box 697, Aztec, New Mexico

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CAL CONSERVATION CONVISCION

LEND COMMITTEEN B. S. VALUER

ETTE BOOK

STATE GEOLOGIST W.B. MACEY
SECRETARY - DIRECTOR



ACTEC, NOW-MEXICO

May 24, 1956

Mr. H. L. Hensley Humble Oil & Refining Co. Box 1600 Midland, Texas

Dear Mr. Hensley:

According to the Form -128 which you submitted on Humble's #2 Jicarilla Apache mp in Unit M of Section 19-24N-4W, you have dedicated 124.14 acres.

Rule 104, paragraphs (d) and (i) of the New Mexico Oil Conservation Commission Rules and Regulations pertains to this matter. A non-standard drilling unit will be approved upon application to the Santa Fe office of the Commission. The process is an administrative procedure and does not require a putlic hearing.

We cannot approve the Forms C-110 until we get approval of the non-standard unit.

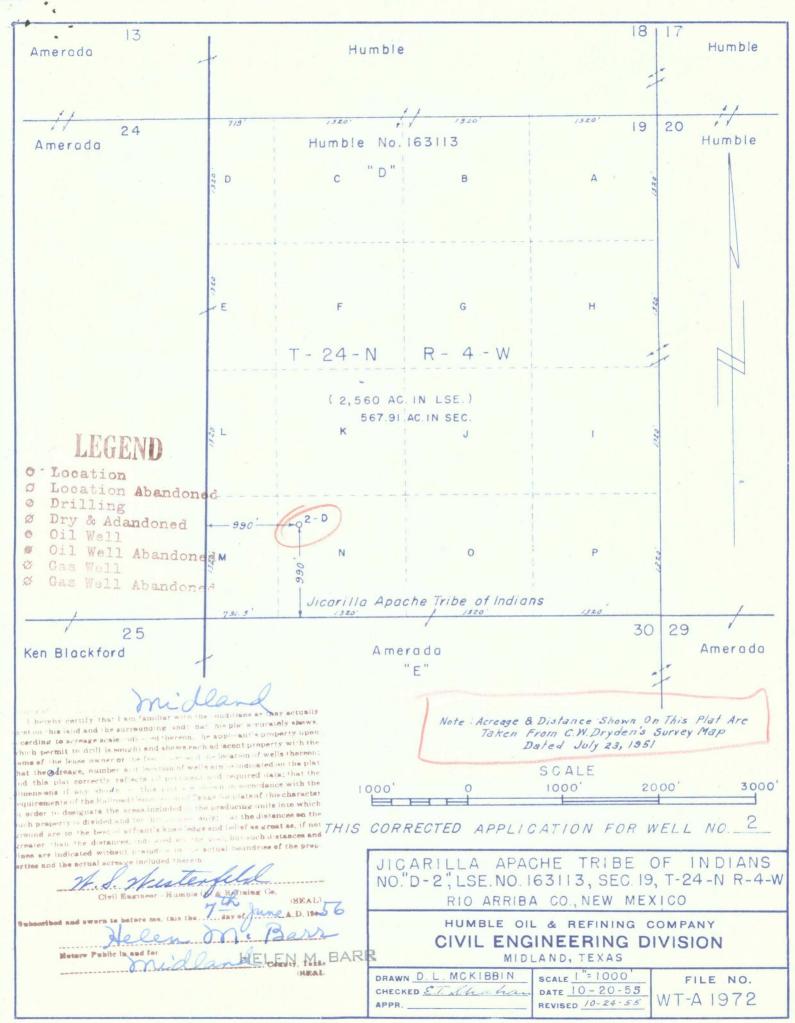
If we can be of further assistance, please contact us.

Yours very truly

A. R. Kendrick

Engineer, District #3

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