

Terminated
9-4-45

OIL CONSERVATION COMMISSIC
SANTA FE, NEW MEXICO

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September 4, 1945

MEMORANDUM TO COMMISSIONER OF PUBLIC LANDS FILES:

Re: Case No. 57 - Order No. 583 -
Southeast Vacuum Unit

Your Commission is today in receipt of Notice of Termination of the Unit Agreement in accordance with the above captioned matter, which notice automatically terminates the order approving said Unit Agreement.

The reason for such termination is because the test well within the unit area was completed as a dry hole.

OIL CONSERVATION COMMISSION

BY

Chief Clerk & Legal Adviser

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELORS AT LAW
III SAN FRANCISCO ST.
SANTA FE, NEW MEXICO

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH

September 1, 1945.

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Please refer to Case No. 57, Order No.
583, the Southeast Vacuum Unit.

I enclose Notice of Termination of this
Unit Agreement, executed by the Stanolind Oil
and Gas Company and the Pure Oil Company.

Very truly yours,



JOS:CB
Enc.-1

56 - Order 583 -
Unit Ags 515

NOTICE OF TERMINATION
OF SOUTHEAST VACUUM UNIT AGREEMENT
LEA COUNTY, NEW MEXICO

TO THE COMMISSIONER OF PUBLIC LANDS AND THE
OIL CONSERVATION COMMISSION OF THE STATE OF
NEW MEXICO:

Reference is made to the Southeast Vacuum Unit Agreement which was approved by the Commissioner of Public Lands of the State of New Mexico on January 18, 1945, and by the Oil Conservation Commission of the State of New Mexico on January 11, 1945, as evidenced by Order No. 583 issued by said Commission on said date in Case No. 57.

The test well located on the above mentioned unit area, and drilled in accordance with its terms, has been completed as a dry hole. Pursuant to mutual agreement of the parties to said unit agreement, you are hereby notified said agreement has been terminated as provided in Paragraph numbered 15 thereof.

STANOLIND OIL AND GAS COMPANY

(RE)

BY

W. J. Soltes
Vice President

THE PURE OIL COMPANY

as per
memo

BY

Tom Denny
Manager, Texas Producing Division.

STANOLIND OIL AND GAS COMPANY
TULSA, OKLAHOMA

November 10, 1944

Southeast Vacuum Area
T 18 S - R 36 E
Lea County, New Mexico

Mr. R. E. Nelson, Jr.
B u i l d i n g

Dear Sir:

The attached subsurface map of the Southeast Vacuum Area, Lea County, New Mexico, is contoured with a contour interval of 100 feet on top of the Cloud Chief (Tansill) formation of Permian age.

The subsurface structure shown centering in Section 17, Township 18 South, Range 36 East is largely hypothetical as only a few scattered tests have been drilled in the area. This structural interpretation is based for the most part on the indicated presence of a structural axis extending southeastward from the southeast part of the Vacuum field in Township 17 South, Range 35 East to the northern portion of the Monument field in Township 19 South, Ranges 36 and 37 East. The indicated axis parallels the axis of the Hobbs structure ten miles to the east and also parallels the structural trend extending from the Hobbs field northwestward to the South Lovington field.

A 5500 foot test to be located 660 feet from the north and east lines of Section 17, Township 18 South, Range 36 East, Lea County, New Mexico is proposed to test the structure. This depth will test the San Andres formation of the Permian which produces in the Vacuum field five miles to the northwest.

Yours very truly

Original Signed
by L. G. Mosburg

L. G. Mosburg

RBG:RC

COPY

STANOLIND OIL AND GAS COMPANY

STANOLIND BUILDING
TULSA, OKLAHOMA

November 20, 1944

File: REN-319-54.70414

Re: Southeast Vacuum Unit
Lea County, New Mexico

REGISTERED MAIL

Mr. John M. Kelly
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Kelly:

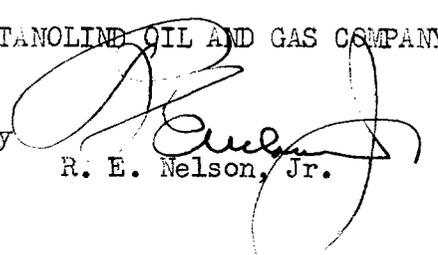
In accordance with your letter of November 17, 1944, we are transmitting, by attachment to this letter, a revised Application for the Southeast Vacuum Unit Agreement as we concur with your idea that it is probably more clearly designated as the Southeast Vacuum Unit rather than the Southeast Maljamar Unit.

We ask that you remove the previous applications from your file and insert in lieu thereof the attached copies. We appreciate your thoughtfulness in bringing this to our attention.

Very truly yours,

STANOLIND OIL AND GAS COMPANY

By


R. E. Nelson, Jr.

WME:ef
Encl.

cc: Mr. J. O. Seth

NEW MEXICO
OIL CONSERVATION COMMISSION

GOVERNOR JOHN J. DEMPSEY
CHAIRMAN

LAND COMMISSIONER H. R. RODGERS
MEMBER

STATE GEOLOGIST JOHN M. KELLY
SECRETARY



DIRECTOR
JOHN M. KELLY

ADDRESS ALL COMMUNICATIONS
TO THE DIRECTOR

Santa Fe, New Mexico

December 2, 1944

John:

Your attention is called to the following matters:

First, as to the Agreement.

"1. LWS: This agreement is made subject to Chapter Sixty Nine, New Mexico Statutes Annotated, 1941, and Chapter Eighty-eight of the New Mexico Session Laws of 1943".**** That chapter relates to insane asylum and State prison pension matters. Undoubtedly, what was intended to be used is Chapter 72, Laws of New Mexico 1935, our basic oil conservation law. 89 - J. M. Kelly 1941

The Agreement seems to make no provision for any development program other than the one well in Section 5.

The committed tracts are named. No mention, however, is made as to what the contracting parties consider as the unit area. This is of importance inasmuch as the petition refers frequently to the unit area without defining it.

Second, as to the petition.

The petition should set out clearly what the petitioner considers the unit area. The petitioner evidently intends the unit area to be three sections and part of a fourth outlined in red on the exhibit but no indication whatever is made on the exhibit that this red outlined area is the unit area. The description of the committed lands set out in the agreement does not cover all the area outlined in red. Both the Magnolia and the Gulf have tracts within the area as set out in the petition not committed but evidently the latter tracts plus the committed tracts are intended as the committed area but the petition is not at all clear as to this. The purpose of a petitioner is to set out matters clearly.

By reason of the foregoing matters as well as mis-number in the caption it is recommended that the petition be revised. Judge Seth would have a clear idea how to do this.

Carl B. Livingston
Carl B. Livingston

December 4, 1944. Petition correcting name of area has been now filed but the other objections raised above still exist.

ILLEGIBLE

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

November 17, 1944

Mr. R. E. Nelson, Jr.
Stanolind Oil and Gas Company
Stanolind Building
Tulsa, Oklahoma

Re: File MEN-304-54.70414

Southeast Maljamar Unit, Lea County, New Mexico

Dear Dick:

Your application for unit agreement in Lea County has been received. The Commission will set a hearing and act upon it as soon as possible some time in the early part of December.

I feel, however, that you probably would like to change the heading of your application in that you call it the Southeast Maljamar Unit Agreement and your exhibit refers to it as the Southeast Vacuum Unit Agreement. The correct designation no doubt is Southeast Vacuum as the unit is located in Township 18S, Range 36E, which is southeast of the Vacuum Pool.

Very truly yours,

Director.

JMK:MS

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STANOLIND OIL AND GAS COMPANY

STANOLIND BUILDING

TULSA, OKLAHOMA

November 15, 1944

File: REN-304-54.70414

Re: Southeast Maljamar Unit
Lea County, New Mexico

REGISTERED MAIL

Mr. John Kelly
Oil Conservation Commission
Santa Fe, New Mexico

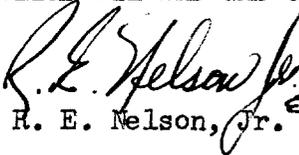
Dear Mr. Kelly:

We transmit herewith an original Application for Final Approval of the Southeast Maljamar Unit Agreement, together with a statement by our Assistant Chief Geologist and a contour map indicating the proposed unit area. The Application is accompanied by an original executed and one photostatic copy of the Southeast Maljamar Unit Agreement.

Very truly yours,

STANOLIND OIL AND GAS COMPANY

By


R. E. Nelson, Jr.

WME:ef
Encls.

cc: Mr. J. O. Seth

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

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November 24, 1944

Mr. R. E. Nelson, Jr.
Stanolind Oil & Gas Company
Stanolind Building
Tulsa, Oklahoma

File: REN-319-54.70414

Re: Southeast Vacuum Unit
Lea County, New Mexico

Dear Mr. Nelson:

Your letter of November 20 with revised Application for the Southeast Vacuum Unit Agreement will be called to Mr. Kelly's attention immediately upon his return from Washington in about a week.

Very truly yours,

Secretary to Mr. Kelly

STATE LAND OFFICE

SANTA FE, NEW MEXICO

JOHN E. MILES

COMMISSIONER OF PUBLIC LANDS



January 19, 1945

Dil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Carl Livingston

Gentlemen:

Herewith please find for your records a fully executed copy of a recent order signed by the Commissioner of Public Lands in the matter of the Stanolind and Pure Oil Companies Unit Agreement.

Very truly yours,

JOHN E. MILES
COMMISSIONER OF PUBLIC LANDS

By


George A. Graham, Attorney
New Mexico State Land Office

GAG:cfw

Enclosure

CERTIFICATE OF APPROVAL

SOUTHEAST VACUUM UNIT

The undersigned, Commissioner of Public Lands of the State of New Mexico, having this day examined an agreement for the co-operative or unit operation and development of a prospective oil or gas field or area, which agreement is entitled, "The Southeast Vacuum Unit, Lea County, New Mexico," and embracing lands in Sections 8, 9, 16 and 17, Township 18 South, Range 36 East, as set out in said agreement, entered into between Stanolind Oil and Gas Company and The Pure Oil Company, to which agreement this Certificate is attached; and

WHEREAS, upon examination thereof, the Commissioner finds:

a. That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said field;

b. That under the operations proposed, the State will receive its fair share of the recoverable oil or gas in place under its lands in the area affected;

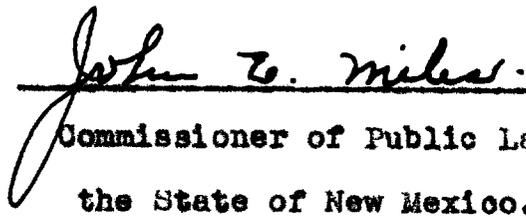
c. That the agreement is in other respects for the best interest of the State;

d. That the agreement provides for the unit operation of the field, for the allocation of production, and the sharing of proceeds from a part of the area covered by the agreement on an acreage basis as specified in the agreement.

NOW, THEREFORE, by virtue of the authority conferred upon me by Chapter 88 of the Laws of the State of New Mexico, 1943, approved April 14, 1943, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said agreement, as to the lands of the

State of New Mexico included in said Southeast Vacuum Unit Agreement, and subject to all the provisions of the aforesaid Chapter 88 of the Laws of the State of New Mexico, 1943.

EXECUTED this _____ day of January, 1945.



Commissioner of Public Lands of
the State of New Mexico.