

Case
223

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held May 23, 1950, beginning at 10:00 o'clock a.m. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).
STATE OF NEW MEXICO TO:
All named parties in the following case and notice to the public:
Case 233
In the matter of application of Co-operative Producers' Association to establish a program of

LEGAL ADVERTISING

Range 32E, N.M.P.M., Lea County, New Mexico.
Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on May 10, 1950.
STATE OF NEW MEXICO
COMMISSION
SPURRIER,
Secretary.

Affidavit of Publication

ss.

I, Will Harrison, being first duly sworn,

declare and say that I am the (~~Business Manager~~) (Editor) of the Santa Fe

New Mexican, a daily newspaper, published in the English Language, and having a general circulation in the City and County of Santa Fe, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937; that the publication, a copy which is hereto attached, was published in said paper ~~once each week~~

for one time ~~once each week~~ ~~for one week~~ ~~and on the same day of each week~~ in the regular issue of the paper during the time of publication, and that the notice was published in the newspaper proper, and not in any supplement ~~once each week~~ for

one time ~~weeks consecutively~~ ~~on the first~~ publication being on the 12th day of May, 1950, and the last publica-

~~tion on the~~ 12th day of May, 1950; that payment for said advertisement has been (duly made), or (assessed as court costs); that the undersigned has personal knowledge of the matters and things set forth in this affidavit.

PUBLISHER'S BILL

30 lines, one time at \$ 3.00
lines, times, \$
Tax \$
Total \$ 3.00

Received payment,

By

Will Harrison

Editor-Manager

Subscribed and sworn to before me this 10

day of May, A.D., 1950

Notary Public

My Commission expires

May 11, 1950

Mr. W. E. Bondurant
Hervoy, Dow & Hinkle
Roswell, New Mexico

Dear Mr. Bondurant:

Please find enclosed, copy of Notice of Publication for Case 223, which will be heard in Santa Fe, New Mexico, on May 23, 1950.

Legal notices for this case will be published in Hobbs and in Santa Fe on Friday, May 12.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrer
Secretary-Director

RRS:hw
encl.

May 11, 1950

REGISTERED MAIL

Mr. Glenn Staley
Lea County Operators Committee
Drawer I
Hobbs, New Mexico

Dear Mr. Staley:

Enclosed please find Notice of Publication for Case 223, which will
be heard on May 23, 1950.

Very truly yours,

R. R. Spurrer
Secretary-Director

RRS:bw
encl.

May 11, 1950

SANTA FE NEW MEXICAN

Santa Fe, New Mexico

Re: Case 223
Notice of Publication

Gentlemen:

Please publish the enclosed notice once, immediately. Please proofread the notice carefully and send a copy of the paper carrying such notice to this office.

UPON COMPLETION OF THE PUBLICATION SEND PUBLISHER'S AFFIDAVIT IN DUPLICATE.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw
encls.

PLEASE PUBLISH ON FRIDAY, MAY 12, 1950.

LAW OFFICES
HERVEY, DOW & HINKLE
ROSWELL, NEW MEXICO

J. M. HERVEY
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.

May 9, 1950

WILLIAM C. SCHAUER

Mr. R. R. Spurrier
Secretary
Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mrs. Woodworth

Re: Application for Approval of Secondary
Recovery Program

Dear Sir:

Enclosed herewith please find above application, in triplicate, and we are attempting to have the matter set for the hearing on May 23, 1950. I have today discussed the matter with Mr. Spurrier in Artesia, and he has requested that this letter be written to the attention of his secretary, Mrs. Woodworth.

The primary problem involved is that the Notice of Hearing must be published in a Lea County newspaper not later than Friday, May 12th. I have checked the matter and the Hobbs News Sun is published in the afternoon of that day, but there is no paper published in Lea County on Saturday. Consequently, Mr. Spurrier has requested that in order to expedite the matter that I draft the enclosed Notice for Publication, but Mr. George Graham is to approve the same, and I drew it in order to save Mr. Graham the trouble. It will be noted that you must insert the place of hearing, the date, and the manner of signing the Notice. Mr. Spurrier advised that if two members of the Commission were not handy to sign it, then it would be satisfactory for Mrs. Woodworth to sign Mr. Spurrier's name to the Notice.

As you know, the Notice must be published once in Santa Fe and once in Lea County, and the Santa Fe publication should not cause any trouble since there is plenty of time. The Lea County publication is a rather difficult matter, and it will probably have to be in the hands of the Hobbs paper by noon, May 12th. Consequently, if it could be sent AIR MAIL --SPECIAL DELIVERY from Santa Fe by Thursday, May 11th, I believe that this would be satisfactory, but if there is any question and in any event probably the best solution would be for Mrs. Woodworth to call us as soon as the original Notice is completed and sign it, and we could then conform

Mr. R. R. Spurrier

-2-

May 9, 1950

our office copy to the signed original, and our office copy could be mailed from Roswell to Hobbs, or we could have someone drive over to Hobbs with it. The foregoing is an emergency matter and our client is most anxious to have the matter heard on May 23rd, which will necessitate the above outlined rush on advertising.

If you have any questions, please call us collect, and Mr. Spurrier said that if there were any questions needing his assistance that he would be in Hobbs tomorrow, Wednesday, and back in Artesia Thursday for the balance of the week. We will sincerely appreciate your cooperation in the matter.

Very truly yours,

HERLEY, DOW & HINKLE

By W. C. Boudurant

WEB:iw

223
PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

PRODUCTION DEPARTMENT

C. P. DIMIT
VICE PRESIDENT
H. H. KAVELER
ASS'T. TO VICE PRESIDENT

June 5, 1950

L. E. FITZJARRALD
GENERAL SUPERINTENDENT
J. M. HOUGHIN
ASS'T. GEN'L SUPT.
H. S. KELLY
CHIEF ENGINEER

In re: Cooperative Producing Association; Application and
Hearing for approval of Secondary Recovery Program
Caprock Field, Chaves and Lea Counties, New Mexico,
Case No. 223

Mr. R. R. Spurrier,
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Spurrier:

With reference to the subject 'Application and
Hearing,' Phillips Petroleum Co. hereby withdraws the ob-
jection which was made by telegram on May 23, 1950, and gives
approval to the program of Secondary Recovery proposed by the
applicant.

Very truly yours,


C. P. Dimit

CPD

cc: Mr. J. O. Denton, Jr.

Cooperative Producing Association
Levelland, Texas

May 11, 1950

AIRMAIL - SPECIAL DELIVERY

HOBBS NEWS SUN

Hobbs, New Mexico

Re: Case 223
Notice of Publication

Gentlemen:

Please publish the enclosed notice once, immediately. Please proofread the notice carefully and send a copy of the paper carrying such notice to this office.

UPON COMPLETION OF THE PUBLICATION SEND PUBLISHER'S AFFIDAVIT IN DUPLICATE.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw
encls.

CONFIRMING TELEPHONE CONVERSATION OF MAY 10TH. PLEASE
PUBLISH ON FRIDAY, MAY 12, 1950.

LAW OFFICES
HERVEY, DOW & HINKLE
ROSWELL, NEW MEXICO

File

J. M. HERVEY
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.

WILLIAM C. SCHAUER

June 16, 1950

Mr. R. R. Spurrier
New Mexico Oil Conservation
Commission
Santa Fe, New Mexico

Re: Case No. 223
Cooperative Producing Ass'n.
Application for Secondary Re-
covery Program

Dear Mr. Spurrier:

In connection with the above Application, my client, the applicant, advises me that on June 5th Phillips Petroleum Company withdrew their objection to the application, and mailed the same ~~direction~~ to your office.

I believe that the above is all that is necessary in the matter, but if anything additional is requested, please advise me immediately. I would sincerely appreciate it if the order could be issued at your very earliest convenience, since my client is very desirous of proceeding with their program.

Very truly yours,

HERVEY, DOW & HINKLE

WEB:iw

cc: Cooperative Producing Association
Levelland, Texas
Attn: J.O. Denton, Jr.

By *W. E. Bondurant, Jr.*

Cooperative Producing Association

Levelland, Texas

May 31, 1950

Case 223

RECEIVED
MAY 31 1950
LEVELLAND, TEXAS

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier

Gentlemen:

Enclosed is a copy of our letter addressed to Mr. C. F. Dimit, Vice President of Phillips Petroleum Company, who on May 29, 1950, advised us by telephone that they would approve our program for secondary recovery in the Caprock Field of Chaves and Lea Counties, New Mexico. The protest was filed as a matter of form without Mr. Dimit's knowledge.

We are directing a copy of the letter to him to you in order that you will be advised that the matter will be cleared up shortly and our application approved.

Mr. Bondurant also is receiving a copy of this letter in order that he can be advised of our procedure.

If you do not receive advice from Mr. Dimit pursuant to our letter to him within the near future, we would appreciate the information in order that we can bring it to his attention again.

Yours very truly,

COOPERATIVE PRODUCING ASSOCIATION

J. O. Denton, Jr.
J. O. Denton, Jr.

JOD:mkw

COOPERATIVE PRODUCING ASSOCIATION
LEVELLAND, TEXAS

May 31, 1950

Phillips Petroleum Company
Bartlesville, Oklahoma

Attention: Mr. C. F. Dimit
Vice President

Gentlemen:

Pursuant to our application and the scheduled hearing before the New Mexico Oil Conservation Commission, Case No. 223, for a secondary recovery program in the Caprock Field, Chaves and Lea Counties, New Mexico, quickly we will endeavor to give you our thinking in the matter.

Our total production for thirty-eight wells in the latter part of 1947 was approximately 30,000 barrels per month. In April, 1950, we produced slightly less than 14,000 barrels. This drop in production was foreseen by us and we endeavored to collect all possible data on the producing reservoir. We found that we would produce on a primary basis 18 to 20%; that it was possible to produce an additional 20 to 25% by repressuring the reservoir with air and an additional 25% with water flooding. We did not consider repressuring with gas because there was no supply available, and in that there is no water supply available other than well water, wells are approximately 200' in depth and limited in production, we can not consider water at this date.

An analysis of the gas produced from the Artesia Red Sand reservoir in that field reflects that there is considerable nitrogen present, from 27 to 64%, the higher percentage being in the North end of the field, or in Section 31, Township 12S, Range 32E, where we proposed to start the repressuring program.

In analyzing cores, we do not find any oxidation of oil as a result of air injection. If this secondary program is not put into effect immediately, it is our conclusion the field will be abandoned shortly.

Pursuant to our telephone conversation with you, we would appreciate it if you would please address a letter to the New Mexico Oil Conservation Commission, attention Mr. R. R. Spurrier, Secretary, advising him as follows:

Reference Cooperative Producing Association Application and Hearing for Approval of Secondary Recovery Program, Caprock Field, Chaves and Lea Counties, New Mexico, Case No. 223, we hereby withdraw our objection which was made by telegram on May 23, 1950, and approve their program in order that your Commission may approve their application and the program started.

Mr. Spurrier has advised us that the above letter is necessary prior to issuing us a permit or approving our application.

When this program becomes effective, we will be very glad to give you any information you might desire as we intend to keep a detailed record of the operation.

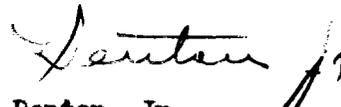
Mr. Paul Holloway, who worked at the Stead Plant for you at Dewey Oklahoma, is the Superintendent in charge of that work. Mr. Holloway lives in the field at Cooperative Producing Association Camp in Section 31.

Should you desire any additional information from the writer, please advise me at your earliest convenience.

I appreciate very much your cooperation in this matter and would appreciate it if you would forward me a copy of your letter to the New Mexico Oil Conservation Commission.

Yours very truly,

COOPERATIVE PRODUCING ASSOCIATION


J. O. Denton, Jr.

JOD:mkw

BCC: Hervey, Dow & Hinkle
Attention: Mr. W. F. Bonduarnt
Roswell, New Mexico

New Mexico Oil Conservation Commission
Attention: Mr. R. R. Spurrier
Santa Fe, New Mexico

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea

I, Robert L. Summers
Publisher

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supple-

ment thereof for a period of times
weeks

beginning with the issue dated May 12, 1950

and ending with the issue dated May 14, 1950
Publisher.

Robert L. Summers
Sworn and subscribed to before

me this 15 day of May, 1950
Notary Public.

Secretary Seal
My commission expires January 25, 1953
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

(May 10, 1950)

**NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COM-
MISSION**

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held May 23, 1950, beginning at 10:00 o'clock a. m. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

STATE OF NEW MEXICO TO:
All named parties in the following cases and notice to the public:

Case 223
In the matter of application of Cooperative Producing Association for the establishment of a secondary recovery program on all of Section 31, Township 12, South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on May 10, 1950.

STATE OF NEW MEXICO
OIL CONSERVATION COM-
MISSION
R. R. SPURRIER, Secretary.

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held May 23, 1950, beginning at 10:00 o'clock a.m. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

STATE OF NEW MEXICO TO:

All named parties in the following cases and notice to the public:

Case 220

In the matter of the application of the Skelly Oil Company for an exception to Rule 104 for the formation of an unorthodox unit in Section 2, Township 23S, Range 36E, N.M.P.M., Langlie-Mattix pool, Lea County, New Mexico.

Case 221

In the matter of the application of Continental Oil Company for an order granting permission to dually complete its "M.E. Wantz No. 3-D" well, located in the NW/4 SE/4 Section 21, Township 21S, Range 37E, N.M.P.M., Lea County, New Mexico, for producing gas from the Tubb sand, and oil from the Drinkard formation.

Case 222

In the matter of the application of Barnett and Rector for an order permitting the drilling of an unorthodox location 1370 ft. from the south line and 330 ft. from the west line (SW/4 NW/4 SW/4) of Section 20, Township 17S, Range 35E, N.M.P.M., along the northern limits of the Vacuum pool, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on May 9, 1950.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


R. R. SPURRICK, SECRETARY

SEAL

file

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	<input checked="" type="checkbox"/> SERIAL
DAY LETTER	<input checked="" type="checkbox"/> NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	<input type="checkbox"/> DEFERRED
CODE	<input type="checkbox"/> NIGHT LETTER

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

message should be 3:45 P.M.

Case 223

SANTA FE, NEW MEXICO
MAY 24, 1950

JEFF A. ROBERTSON
CHAIRMAN, CORPORATION COMMISSION
TOPEKA, KANSAS

UNDERSTAND YOU HAVE AN AIR INJECTION SECONDARY RECOVERY
PROJECT IN KANSAS. WOULD APPRECIATE RECEIVING ANY PRODUCTION HISTORY
ESPECIALLY PERTAINING TO UNDESIRABLE EFFECTS.

OIL CONSERVATION COMMISSION/E.A. UTZ, GAS ENGINEER

~~DAY LETTER~~

Straight wire

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the un-repeated message rate is charged in addition. Unless otherwise indicated on its face, this is an un-repeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the un-repeated-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.
2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.
3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.
4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.
5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.
6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.
7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.
8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.
9. No employee of the Company is authorized to vary the foregoing.

1-49

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Messages sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in cipher.

CODE (CDE)

A fast message service consisting of code words not exceeding 5 letters each. Minimum charge for 5 words applies.

DEFERRED (LC)

Plain language messages, subordinated to full rate and code messages. Minimum charge for 5 words applies.

NIGHT LETTER (NLT)

Overnight plain language messages. Minimum charge for 25 words applies.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	SERIAL
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	DEFERRED
CODE	NIGHT LETTER

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Case 223

fill
 NL PD BARTLESVILLE OKLA 23
 NEW MEXICO OIL CONSERVATION COMM.
 SANTA FE N MEX

1950 MAY 23 PM 5 10

RE CASE NUMBER 223 PHILLIPS PETROLEUM COMPANY ON OFFSET OPERATOR OPPOSES COOPERATIVE PRODUCING ASSOCIATIONS APPLICATION TO INJECT AIR DUE TO RESULT ON AND CORROSION OF EQUIPMENT AND LOWERING OIL VISCOSITY THROUGH OXIDATION SINCE NOTICE RECEIVED HERE ONLY THIS MORNING IT WAS IMPOSSIBLE TO BE REPRESENTED AT HEARING TODAY.

C. R. DIMIT

COPY

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeat message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeat message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeat-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeat-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.
2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeat-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.
3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.
4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.
5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.
6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.
7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.
8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.
9. No employee of the Company is authorized to vary the foregoing.

1-46

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A fast message service consisting of code words not exceeding 5 letters each. Minimum charge for 5 words applies.

DEFERRED (LC)

Plain language messages, subordinated to full rate and code messages. Minimum charge for 5 words applies.

NIGHT LETTER (NLT)

Overnight plain language messages. Minimum charge for 25 words applies.

Case
223

PHILLIPS PETROLEUM COMPANY

PRODUCTION DEPARTMENT
C. P. DIMIT
VICE PRESIDENT
H. H. KAVELER
ASS'T. TO VICE PRESIDENT

BARTLESVILLE, OKLAHOMA

May 26, 1950

L. E. FITZJARRALD
GENERAL SUPERINTENDENT
J. M. HOUGHIN
ASS'T. GEN'L SUPT.
H. S. KELLY
CHIEF ENGINEER

In re: Notice of Hearings

Mr. R. R. Spurrier
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Spurrier:

On May 22 we received notification, by Lea County Operators' Committee circular letter dated May 15, 1950, of hearing on Case 223 scheduled for May 23, at 10:00 o'clock A. M. The hearing was on application of Cooperative Producing Association for the establishment of a secondary recovery program on all of Section 31, Township 12 South, Range 32 East, N. M. P. M., Lea County.

Phillips Petroleum Company operates two leases covering a total of 240 acres in Section 32-12S-32E, which adjoins applicant's lease on the east. Phillips is therefore vitally interested in this matter.

On May 23, by Lea County Operators' Committee circular letter dated May 18, 1950, we received notification of Cooperative's detailed application.

We do not favor the injection of air into an oil reservoir, as this applicant proposes, and believe, considering the effect of increased oil viscosity in the reservoir and corrosion of casing and equipment and consequent premature abandonment of wells with air injection, that more ultimate recovery of oil will be obtained by the present primary recovery method. Therefore, we telegraphed you on May 23 to this effect, in the hope that the application might be denied, or at least that this hearing be continued to a later date when we could present our views. You will observe, from the above recital that we did not receive notice as to the detailed subject matter of Cooperative's application until the actual date of the hearing, making it impossible for us to make our appearance.

As Mr. Nicola mentioned to you when you were in Bartlesville on May 18, we do not receive notices of pending hearings, at our Bartlesville, Oklahoma, office where these matters are handled, in sufficient time for proper consideration or action.

Notice of Hearings
Mr. R. R. Spurrier
May 26, 1950
Page No. 2

We have no wish to delay the proceedings before the Commission. If your rules could be amended to provide, as in Oklahoma, that copies of each application shall be mailed, by the applicant, to each offset operator or to each operator in a pool where the reservoir is to be affected, prior to filing his application, and such notice be substantiated by affidavit filed with the Commission, we believe that all operators would be given sufficient and timely notice of hearings in which they are interested.

Anything you may be able to do to help us obtain earlier notice of hearings will certainly be appreciated.

Yours very truly,


G. E. Dimit

CPD

June 28, 1950

Oil Conservation Commission
P. O. Box 1545
Hobbs, New Mexico

Gentlemen:

We enclose herewith, signed copy of Order No. R-22, issued by the
Commission in connection with the hearing held on May 23, 1950.

Very truly yours,

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

June 28, 1950

REGISTERED MAIL

Mr. Glenn Staley
Lea County Operators Committee
Drawer Eye
Hobbs, New Mexico

Dear Mr. Staley:

We enclose herewith, signed copy of Case No. 223, Order No. R-22,
in connection with the hearing held in Santa Fe, on May 23, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

HRS:bw
encl.

June 28, 1950

REGISTERED MAIL

Mr. W. E. Bandurant, Jr.
Harvey, Dow & Hinkle
Roswell, New Mexico

Dear Mr. Bandurant:

We enclose herewith, signed copy of Case No. 223, Order No. R-22, issued by the Commission, in connection with the hearing held in Santa Fe, New Mexico, on May 23, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

May 12, 1950

REGISTERED MAIL.

Mr. Glenn Staley
Lea County Operators Committee
Drawer Eye
Hobbs, New Mexico

Dear Mr. Staley:

We enclose herewith, application in connection with Case 223, to be heard in Santa Fe, New Mexico, on May 23, 1950.

Very truly yours,

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

Cooperative Producing Association

Levelland, Texas

January 29, 1951

CASE

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier, Director

Gentlemen:

Pursuant to the starting up of our secondary recovery program in the north part of Caprock Field, Lea County, New Mexico, we now find it would be helpful to observe the condition of producing wells adjoining Section 31, Township 32E, Range 12S.

Today we have therefore addressed letters to Phillips Petroleum Company, Mid-Continent Petroleum Corporation, Great Western Producers, Incorporated, Gulf Oil Corporation, Manry and Company, Delfern Oil Corporation and H. T. Page, requesting permission to make sonolog or fluid level tests monthly on their producing wells adjoining Section 31.

We are advising you of this action in order that you may be up to date in the matter. This is caused by the fact that we are advised that one offset well was producing approximately three barrels per day and in the last monthly production has increased to ten barrels per day. It is our estimate at this time we are increasing the reservoir pressure on an equitable basis in Section 31 and possibly it is affecting or will affect very quickly offset production.

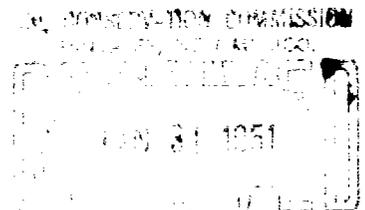
It is our immediate thought now that if this is proven within the next sixty days that we will bring our information to Santa Fe and informally talk the matter over with you. It is the writer's opinion at this time that sufficient communication in the reservoir is evident and this program should be successful.

Yours very truly,

COOPERATIVE PRODUCING ASSOCIATION

J. O. Denton, Jr.
J. O. Denton, Jr. *apd*

JOD/dp



Case
223

May 26, 1950

Mr. Joe Denton
Cooperative Producing Association
P. O. Box 173
Cleveland, Texas

Dear Mr. Denton:

In view of the fact that Mr. C. P. Dinit of Phillips Petroleum Company has voiced an objection as an offset operator, it will be necessary for you to make suitable arrangements with Phillips before your application can be acted upon by the Commission.

If you wish, the case may be re-board or the Commission should be furnished with a stipulation from Phillips.

Very truly yours,
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RHS:bw
cc: Mr. Bonbrant
cc: Mr. Dinit

TEL. **AMS**
SAVE MONEY
... **BY NOT**
WASTING WORDS

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1301

SYMBOLS
DL = Day Letter
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

Letters in STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA82 KA326

K-BRA265 NL PD=BARTLESVILLE OKLA 23=
NEW MEXICO OIL CONSERVATION COMM=
SANTA FE NMEX=

1950 MAY 23 PM 5 10

RE CASE NUMBER 223 PHILLIPS PETROLEUM COMPANY ON OFFSET
OPERATOR OPPOSES COOPERATIVE PRODUCING ASSOCIATIONS
APPLICATION TO INJECT AIR DUE TO RESULT ON AND CORROSION OF
EQUIPMENT AND LOWERING OIL VISCOSITY THROUGH OXIDATION
SINCE NOTICE RECEIVED HERE ONLY THIS MORNING IT WAS
IMPOSSIBLE TO BE REPRESENTED AT HEARING TODAY=
C P DIMIT=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE