

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
September 17, 1953

In the Matter of:

The application of W. P. Carr for approval of an unorthodox drilling unit in exception to Rule 104, Paragraph 'd', of the Commission's Rules and Regulations, being a unit of less than 160 acres in SW/4 Section 9, Township 30 North, Range 11 West, NMPM) San Juan County, New Mexico.)

Case 591

TRANSCRIPT OF HEARING

MR. SPURRIER: The next case on the docket is Case 591.

(Notice of Publication read by Mr. Graham.)

MR. KELLAHIN: Jason Kellahin, representing W. P. Carr, the applicant in Case 591. Unfortunately my witness was unable to secure reservations on the airlines and I am forced to testify in his behalf.

JASON KELLAHIN

after having been first duly sworn, testified as follows:

Case 591 is an identical and companion Case to Case 542, in which the Commission approved similar drilling units in the NW/4 of Section 10 and NE/4 of Section 9 in the same township and range, i. e., Township 30 North, Range 11 West. It has to do with the SW/4 of Section 9, lands adjoining the townsite of Aztec, New Mexico.

(Exhibit I marked for identification)

I have here a plat showing the land ownership that is in the quarter section. The areas outlined in red are those on which the applicant does not have leases. This map was not prepared by me, however, I did check it against the leases which are in the file and available for inspection by the Commission. I have checked it against the descriptions in those leases and it is my belief that the map is an accurate record of the lease ownership now held by Mr. Carr.

It will be noted that Mr. Carr has all of the land under lease which lies outside of the townsite of Aztec with the exception of lands marked as belonging to the Highway Department, a two acre tract on which we have been attempting to secure a lease. We have been trying to get an opinion as to who has the authority to sign such a lease and we have as yet been unable to obtain one. An Attorney General's opinion says only the Land Commission can issue such a lease on lands owned by the State.

Another tract is a small area adjoining the highway outlined in red which consists of two business lots, a very small area. We do have a lease from the town of Aztec on the area to the North of the townsite and we also have leases on lands within the townsite from Mr. Current. We have no leases on any property other than that outside of the town of Aztec and the problem is exactly the same as in Case 542, the lands consisting of a great number of small lots for the most part 50 foot lots laid out on a townsite pattern and it would be very expensive to secure even the

necessary ownership list in order to force a pooling action.

(Exhibit II marked for identification)

MR. KELLAHIN: I wish to offer Exhibit I in evidence.

MR. SPURRIER: Without objection it will be admitted.

MR. KELLAHIN: Exhibit II shows a tabulated list of the leases on which Mr. Carr has the ownership and is identical to Exhibit I and we have in the file, copies of all of those leases for the inspection of the Commission which we would be glad to offer in evidence if the Commission so desires. There are a few original leases which we would like to withdraw and substitute copies therefor.

We are asking the same type of Order as in Case 542 which, if the Commission will recall, made provision of the inclusion of any additional lands on which the applicant may be able to secure leases and also a provision that any one within the exterior boundary within this quarter section who has not committed his acreage may do so under terms that are just and reasonable. Of course we have in mind that he should pay his proportionate share of the cost and then share in production. That completes our statement and testimony.

MR. KELLAHIN: I wish to offer Exhibit II in evidence.

MR. SPURRIER: Without objection, it will be admitted.

Does anyone have any objection to Mr. Carr's proposal. If not, we will take the case under advisement and move to Case 580.

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C E R T I F I C A T E

I, Virginia M. Chavez, hereby certify that the above and foregoing transcript of Proceedings in Case 591, taken before the Oil Conservation Commission on September 17, 1953, at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

Dated at Santa Fe, New Mexico, this 18th day of September, 1953.

Virginia M. Chavez
Notary Public

My Commission expires:
August 8, 1956