

Case No.

766

Application, Transcript,
Small Exhibits, Etc.

CHARM OIL COMPANY

CARPER BUILDING

ARTESIA, NEW MEXICO

MAIN OFFICE OCC

September 13, 1954

1954 SEP 15 AM 8:35

Case 766

Re: Charm Oil Company Persons Lease comprising N/2 SE/4 of Section 27, Township 19 South, Range 36 East, Lea County, New Mexico

Oil Conservation Commission

Santa Fe, New Mexico

Encl. - Memorandum Oct. 1954

Gentlemen:

Charm Oil Company is the operator of an eighty acre lease consisting of the land above described in the Eumont Gas Pool of Lea County, New Mexico. There are two oil wells on the eighty acre tract, each of which flows with a relatively low gas oil ratio. Charm Oil Company has repeatedly, since drilling the two wells, contacted Warren Petroleum Corporation concerning a low pressure gas connection. Warren Petroleum Corporation offers the only possible outlet for this separator gas and they have declined to connect our lease due to their engineering department figuring that it would be uneconomical for them to so do.

Section #1
#2

Recently there was some renewed drilling activity in Section 34 just to the south of the lease above described, and based on this renewed activity, we have again contacted Warren Petroleum Corporation requesting that they connect this area into their gathering system.

The recent Oil Conservation Commission Order R-520 provides that an application for a hearing should be filed on or before September 15th to gain relief from the effective date of Order R-520. By means of this letter, Charm Oil Company is requesting that you set a hearing for the purpose of considering the circumstances of the above described eighty acre lease, so that special exception can be made.

We are furnishing copies of this letter to the offset operators, namely,

- Ohio Oil Company, Box 879, Roswell, New Mexico
- Continental Oil Company, Box 427, Hobbs, New Mexico
- Cities Service Oil Company, Box 1221, Roswell, New Mexico

Yours very truly,

Vilas P. Sheldon

Vilas P. Sheldon

VPS/mlw

Amos Pearson Well # "I" - NE/4 SE/4 of Sec 27 75
"J" - NW/4 SE/4 of Sec 27 76

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