

MEMORANDUM

Re: Dean Pennsylvania Pool,
Lea County, New Mexico.

On the following dates I contacted by telephone the operators in the above mentioned pool to determine their attitude in respect to a 100% acreage allocation formula for the above mentioned pool. This was in respect to Mr. Dan Nutter's (Oil Conservation Commission of New Mexico) request to be advised in this matter so that the allocation formula would be written into the order which will be written for 80 acre proration units. The telephone contacts were as follows:

9-7-56 Mr. I. B. Stitt (Magnolia, Midland) advised that proration on basis of 100% acreage satisfactory with Magnolia. Also mentioned this conversation to Mr. Ollie Boyd - Magnolia, Dallas on 9-10-56, he had no objection. Mr. Boyd had called to find out if the Commission order had been written. I advised that it had not and that we expected to start negotiations with Magnolia in regard to formation of 80 acre units as soon as the order is written.

9-10-56 Mr. Robert Dewey (Humble, Midland) advised that Humble wants the 100% acreage allocation formula.

9-10-56 Mr. Ray Howard (Atlantic, Midland) advised that Atlantic would not object to 100% acreage allocation.

9-10-56 Messrs. Shackelford & LaRoche (Tidewater, Hobbs) advised they have no objection to 100% acreage allocation. Mr. Coe (Tidewater, Midland) confirmed officially Tidewater will go along on 100% acreage allocation.

9-11-56 Mr. Dan Walker (Gulf, Ft. Worth) advised Gulf wanted 100% acreage allocation.

9-11-56 Mr. Mills (Ohio, Midland) stated that their lawyer still wanted the order to provide an exception for their well. We agreed to discuss the matter again tomorrow after advising our management.

9-12-56 Mr Mills (Ohio, Midland) confirmed that Ohio still wants the order to provide an exception for their well.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 4, 1956

C
Mr. J. W. House
Humble Oil & Refining Company
P.O. Box 1600
Midland, Texas

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Dear Mr. House:

The allowable provisions of Commission Order R-892 which establishes 80-acre proration units in the Dean Permo-Pennsylvanian Pool become effective on December 1st, 1956.

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This order provides that all wells drilled or drilling as of October 4, 1956, are exempt from the 80-acre spacing requirements and that effective December 1st, 1956, they will be assigned an allowable which is in the same proportion to the standard 80-acre allowable that the well's dedicated acreage is to 80 acres. With a normal unit allowable of 39 barrels an 80-acre unit would receive 261 barrels, a 40-acre unit would receive 131 barrels, a 53-acre unit would receive 173 barrels, and a 93-acre unit would receive 304 barrels.

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The order further provides, however, that the allowable of any of the excepted wells may be increased to the amount which is assignable to a standard unit of two adjacent quarter-quarter sections or lots within a single section when the necessary plat (Form C-128) has been filed showing that two governmental quarter-quarter sections or lots have been dedicated to the unit. In the event that communitization must be effected to form a standard unit, an affidavit of communitization must also be filed. The allowable provisions of this order are being made effective December 1st so that operators will have time to complete any communitization agreements which may be required.

Your prompt attention should be given to this matter so that two copies of Form C-128 and two copies of the communitization affidavit, if applicable, may be mailed so as to reach the Hobbs Office of the Commission prior to December 1st, 1956.

Yours very truly,

A. L. Porter, Jr.
Secretary - Director

ALP:brp

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HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS

October 17, 1956

J. W. HOUSE

100017 1 11 1956

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Reference is made to Commission Order R-892 which establishes 80 acre proration units in the Dean Permo-Pennsylvanian Pool, and also to your letter of October 4, 1956. We are attaching 80 acre proration plats, Form C-128, as specified in this order.

Since we developed all of our leases in this field on a standard 80 acre unit it was not necessary to communitize any acreage to form units.

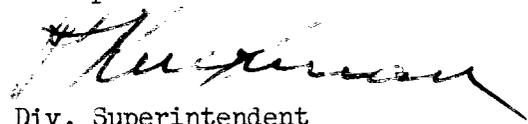
By copies of this letter we are transmitting the required two copies of our Form C-128 to the Hobbs Commission Office.

Yours very truly,

HUMBLE OIL & REFINING COMPANY

J. W. HOUSE,
Division Superintendent

By:



Asst. Div. Superintendent

JEP/se
Attachment

MAILED 1956
JUL 20 11 20
The Chic Oil Co.
Legal Department

W. Hume Everett
Thomas H. McCroy
J. O. Ferrell Couch
Attorneys

July 20, 1956

P.O. Box 3128
Houston, Texas

Re: Case 1102

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

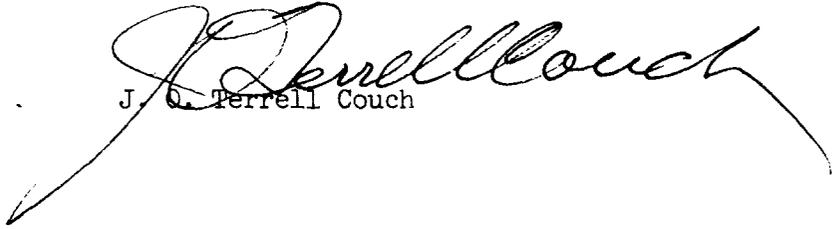
Dear Sir:

I would appreciate it very much if you would request the reporter in Case 1102 to furnish me a copy of the transcript of the testimony. I do not desire any of the exhibits in the case.

I am sorry that it is necessary for me to burden you with this request, but I do not know the young man who was acting as reporter in the case.

I enjoyed seeing you in Santa Fe and look forward to visiting with you again on my next trip.

Very truly yours,


J. O. Ferrell Couch

TC:MK

MAIN OFFICE CO.
SINCLAIR OIL & GAS COMPANY

1956 JUN 14 AM 8:18

PETROLEUM LIFE BUILDING

MIDLAND, TEXAS

LEGAL DEPARTMENT

June 12, 1956

Layton
6/14/56

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Enclosed are original and two copies of original amended application of Sinclair Oil & Gas Company. This application is intended to amend Sinclair's application for an order establishing 80-acre spacing in the Dean-Pennsylvanian Pool which was filed on May 25, 1956.

Yours very truly,

Layton A. Webb

Layton A. Webb
Attorney

LAW:ID
Encls.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 1, 1956

C
O
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Y

Layton A. Webb
P. O. Box 1470
Midland, Texas

Dear Sir:

Reference is made to your application for hearing for an order establishing an 80-acre spacing pattern in the Dean-Pennsylvanian Pool in Lea County, New Mexico in which you requested it be heard at the regular June hearing.

The docket was already loaded for the June hearing and it will be necessary for this case to be heard at the regular July 18th hearing.

Very truly yours,

A. L. PORTER, JR.
Acting Secretary-Director

ALP:nc

cc: Nat. J. Harben, Fort Worth