

ATLANTIC

THE ATLANTIC REFINING COMPANY

INCORPORATED - 1870

PETROLEUM PRODUCTS

ATLANTIC BUILDING

DALLAS, TEXAS

MAIL OFFICE COO

DEC 13 1957

DOMESTIC PRODUCING DEPARTMENT
PRODUCTION DIVISION

December 13, 1957

MAILING ADDRESS
P. O. BOX 2819
DALLAS 21, TEXAS

T. C. FRICK, MANAGER

V. E. STEPP, CHIEF PET. ENGR.

R. O. CHILDERS, GEN'L. DRILLING SUPT.

W. L. BOWSER, SUPT. OF NATURAL GAS

R. A. HAMILTON, SUPT. OF MATERIALS

H. C. RENZ, SUPV. OF CLERICAL AND RECORDS

New Mexico Oil & Gas Conservation Commission
107 Mabry Hall, Capitol Building
Santa Fe, New Mexico

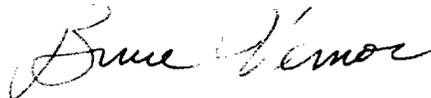
Gentlemen:

This letter is about the rehearing on the Sunray Mid-Continent Oil Company spacing application in the Bisti (Lower Gallup) oil pool, San Juan County, New Mexico.

The Atlantic Refining Company has a 160-acre undeveloped lease which will be in the Bisti (Lower Gallup) oil pool. We believe we cannot develop our lease profitably on 40-acre spacing. Atlantic believes one well will drain 80 acres and any additional drilling would be economic waste.

Atlantic agrees with the Sunray Mid-Continent Oil Company's recommendation for 80-acre spacing and asks the Commission to approve it.

Yours very truly,



Bruce Vernor
Reservoir Engineer

BV:ow

Henry Embury
Jack Campbell
Geo. Smith, 3/27 Rec. no. 1
Hamville Dutton, 1/20 Dallas
111 Street, Stand. Oil Co. of Tex.

A. W. Wood, Monahan Mem.
H. V. Wade, Tex. Co.
Ray Buell, Pan. Am.
C. R. Hall, 7, Le Hall

COPY OF ORDER R-1069-A, Case 1308, SENT TO THE FOLLOWING:

- L. C. WHITE, Santa Fe, *Box 787*
- Oliver Seth, Santa Fe, *Box 828*
- George Selinger, Skelly Oil Co., Box 1650, Tulsa
- Sun Oil Company, Denver Club Bldg., Denver 2, Colo.
- James H. McGowan, Sinclair Oil & Gas Co., Box 521, Tulsa
- Jason W. Kellahin, Santa Fe, *Box 597*
- L. W. Folmar, The Texas Co., Box 1720, Ft. Worth 1, Tex.
- H. D. Bushnell, Amerada Petr. Corp., Box 2040, Tulsa 2, Okla.
- Thomas M. Hogan, British-American Oil Producing Co., Box 180, Denver 1,
- Jack Vickrey, Magnolia Petr. Co., Box 900, Dallas 21, Tex.
- C. T. McClure, Anderson-Prichard Oil Corp., Liberty Bank Bldg., Okla. City 2,
- W. M. Wilson, Lion Oil Co., 602 W. Missouri St., Midland
- as transfer* Southern Union Gas Co., Burt Bldg., Dallas 1,
- Alex Clarke, Jr., Pan American Petr. Corp., Box 1410, Ft. Worth
- Ross Malone, Box 867, Roswell
- R. W. Sullivan, 1109 Mile High Center, Denver 2, Colo.
- Booth Kellough, Gulf, Box 2097, Denver
- Clarence Hinkle, Box 547, Roswell
- W. P. Tomlinson, Atlantic Refining Co., Box 6640, Roswell
- C. L. Kelley, Pan American Petr. Corp., Box 899, Roswell
- W. C. Smith, Delhi-Taylor Oil Corp., Corrigan Tower, Dallas 1,
- Standard Oil Co. of Tex., Attn. C. M. Tilley, Box *1776*, Albuquerque
- F. W. Nantker, Shell Oil Co., 1901 Main St., Durango, Colo.
- Leslie Kell, Shell, Los Angeles 54, 1008 W. 6th
- John Anderson, USGS, Roswell, *Box 6721*
- Phil McGrath, USGS, Farmington, *Box 965*
- George R. Hoy, Honolulu Oil Corp., P.O. Drawer 1391, Midland,
- F. T. Anderson, The El Dorado Refining Co., El Dorado, Kans.
- Shiprock Industries, Inc., Taylor Bldg., Farmington
- Laurence C. Kelly, Trust, 309 Bank of America Bldg., Beverly Hills, Calif.

11-7-57
BP

ORDER R-1069-B was sent to the above list and the two names listed below:

Jack Sullivan, 3825 Willat Ave., Culver City, Calif.
The Atlantic Refining Co, Box 2819, Dallas 21, Texas, Attn. Bruce Vernor

1-20-58
BP

Copies of R-1069-C sent to the above list 2-18-58. BP

J. S. Spedling, Mag.
Donald S. Searles, Tex. Am.
A. H. Tullman, Tex. Am.
11/1/58

R-1069-D Sent to this list 4-18-58. BP

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 5, 1957

C
O
P
Y

Mr. Oliver Seth
Seth & Montgomery
P.O. Box 828
Santa Fe, New Mexico

Dear Sir:

On behalf of your client, Shell Oil Company, we enclose a copy of Order R-1069-A, Order for Rehearing, issued November 4, 1957, by the Oil Conservation Commission in Case 1308.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encl.

Case file

RECEIVED
OCT 13 1957

P. S. JUSTICE
MANAGER

SUN OIL COMPANY

AIR MAIL
SPECIAL DELIVERY

ROCKY MOUNTAIN DIVISION
DENVER CLUB BUILDING

DENVER 2. COLORADO

November 1, 1957

The New Mexico Oil
Conservation Commission
107 Mabry Hall
Capitol Building
Santa Fe, New Mexico
Attention: Mr. A. L. Porter, Jr.,
Secretary

Re: Case No. 1308
Order No. R-1069

Gentlemen:

Reference is made to Order of the Commission dated October 9, 1957 under Case No. 1308 in which the Application of Sunray-Mid-Continent Oil Company for an Order establishing uniform 80-acre well spacing in the Bisti-Lower Gallup Pool was denied.

Sun Oil Company is seriously concerned with the effect of the refusal of the New Mexico Oil Conservation Commission to establish an Order, on a temporary basis, for 80-acre spacing in the Bisti Field. The magnitude of the effect of this Order in such a critical matter necessitates our urging that the Commission grant the Application for Rehearing dated October 25, 1957 and filed by The British American Oil Producing Company.

The Commission's Order of October 9 denying the Application of Sunray-Mid-Continent has created a situation so seriously critical as to require, in our opinion, a re-examination of the matter including consideration of new evidence which will be presented if a rehearing is granted.

In view of the fact that we are firmly convinced that 40-acre well spacing will result in underground waste and further cause great hardship by requiring the expenditure of large sums of money which may not be required to adequately drain the reservoir underlying the Bisti Lower Gallup Oil Pool, we urgently request the Commission to favorably consider the aforementioned Application for Rehearing in light of the provisions of Chapter 65-3-14(b) of the New Mexico Statutes Annotated which authorize the Commission to consider economic loss caused by drilling unnecessary wells.

Very truly yours,

SUN OIL COMPANY

By: 
Attorney-in-Fact

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM *case 1308*

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA042 KB048

(58)...

~~1957 OCT 31 AM 9:44~~

K TUA219 PD=FAX TULSA OKLA 31 921AMC=

A L PORTER JR, NEW MEXICO OIL CONSERVATION COMMISSION=
STATE CAPITOL SANTA FE NMEX=

1957 OCT 31 AM 9 37

AS AN INTERESTED PARTY IN THE CARSON UNIT OPERATED BY SHELL FOR A DEVELOPMENT PROGRAM SUBMITTED TO THE USGS WE ARE FACED WITH REQUEST FOR APPROVAL OF 40 ACRES, HOWEVER, WE RESPECTFULLY REQUEST ADVISE AS TO WHETHER OR NOT REHEARING HAS BEEN GRANTED BY THE OIL CONSERVATION COMMISSION. PLEASE ADVISE DISPOSITION OF REHEARING REQUESTS=

GEORGE W SELINGER SKELLY OIL CO=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a fast telegram	
TELEGRAM	
DAY LETTER	
NIGHT LETTER	

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WESTERN UNION TELEGRAM

1206 (4-55)

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHORE-SHIP	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			OIL CONSERVATION COMMISSION	10:35 a.m.

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

OCTOBER 31, 1957

**GEORGE W. SELINGER
SKELLY OIL COMPANY
TULSA, OKLAHOMA**

COMMISSION HAS DECIDED TO GRANT REHEARING. ORDER WILL FOLLOW.

**A. L. PORTER, JR.
SECRETARY - DIRECTOR**

TELEPHONE OFFICE 999
SOUTHERN UNION GAS COMPANY
BURT BUILDING
DALLAS 1, TEXAS

RECEIVED 10 OCT 11 1957

October 25, 1957

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

Re: Case No. 1308

Gentlemen:

We are advised that within the next few days Sunray Mid-Continent Oil Company will be filing with your Commission a request for rehearing in the above case, which involves their request for a temporary establishment of 80-acre spacing for the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico.

Subsequent to the hearing held in this case on September 18, 1957, a considerable amount of additional information has become available with regard to its subject matter. Accordingly, we concur in, and earnestly urge favorable consideration by the Commission of, the application for rehearing referred to above.

Very truly yours,

SOUTHERN UNION GAS COMPANY

By 
Vice President