

The Ohio Oil Co.

P. O. BOX 3128
HOUSTON 1, TEXAS

J. D. WHEELER
DIVISION MANAGER
I. G. BURRELL
ASS'T DIVISION MANAGER

March 20, 1961

Re: Case No. 2224, March 22, 1961 Examiner Hearing,
New Mexico Oil Conservation Commission

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

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

Gentlemen:

We have noted that hearing has been set for March 22 on request of Mr. Len Mayer for approval of an unorthodox location for an Atoka Penn gas well 1850' FSL and 990' DWL of Section 28, Township 18 South, Range 26 East, Eddy County, New Mexico. Although we have received no additional information concerning Mr. Mayer's acreage since our letter of February 24, 1961, we anticipate that at the hearing he will present such pertinent information as he may have.

As we do not plan to have a representative present at the hearing, we considered it appropriate to advise you and Mr. Mayer of our position in this matter.

If the evidence at the hearing establishes to the satisfaction of the Commission that the proposed unorthodox location is justified and that correlative rights of interested parties will not be adversely affected, we would have no objection to either the unorthodox location or the dedication of the entire 8/2 of Section 28 to the well without restriction of the allowable below the allowable of wells on other standard units in the Pool.

Very truly yours,



I. G. Burrell

ICB:K

cc - Mr. Len Mayer
Oil Operator
P. O. Box 3613
Roswell, New Mexico

THE OHIO OIL COMPANY

P. O. BOX 3128
HOUSTON 1, TEXAS

Case 2224

Case file

February 24, 1961

Len Mayer
Oil Operator
P. O. Box 5613
Roswell, New Mexico

Re: Len Mayer No. 1 Stallings
990'W 1650'S Section 28,
Township 18 South, Range 26
East, N.M.P.M., Eddy County,
New Mexico

Dear Sir:

We have reviewed your letter of February 16 in which you state that you have requested approval for a "non-standard" gas unit covering the S/2 of Section 28. However, as we construe your letter, you are seeking approval of an unorthodox well location as an exception to Rule 3 of the Pool Rules in order to drill your proposed well in the SW/4 of Section 28 instead of in the SE/4. Under the Pool Rules for the Atoka Penn Gas Pool, the Secretary-Director is not authorized to approve an unorthodox well location except where necessary because of topographical conditions, or in order to permit the recompletion of a previously existing well. Although you did not furnish us with a copy of your Application, we understand that neither of those conditions exists.

We object to the approval of your proposed unorthodox location without a hearing. However, if we are furnished with sufficient information to justify your proposal to drill at the unorthodox location, we would have no objection to your doing so, provided the allowable to be assigned to the well in the unorthodox location is restricted below the allowable for a standard unit to an amount which would protect the correlative rights

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Len Mayer

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February 24, 1961

of The Ohio and its royalty owners and would insure that only acreage which is productive of gas from the Atoka Penn Formation would be included in fixing the allowable for the well. Our present thought is that the proposed well would not be entitled to an allowable in excess of one half of the allowable assigned to a standard unit in the pool.

Please advise whether you concur in our view that a hearing will be necessary.

Yours very truly,


ORIGINAL SIGNED BY
I. G. BURRELL

I. G. Burrell

IGB/eh

cc: New Mexico Oil Conservation Commission
Attention: Mr. A. L. Porter, Jr.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 17, 1961

Mr. Len Mayer
Oil Operator
P. O. Box 5613
Roswell, New Mexico

Dear Sir:

Reference is made to your letter of February 16, 1961. Your application for a non-standard location for your well to be drilled 1650/S, 990/W, Section 28, Township 18 South, Range 26 East, is set for hearing on March 22, 1961. You will receive a copy of the hearing docket at a later date.

Very truly yours,

E. A. UTZ
Gas Engineer

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Case

2224

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