

Case No.

301

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

~~~~~  
TRANSCRIPTION OF HEARING

CASE NO. 301

August 21, 1951  
(DATE)

F. E. GREESON  
COURT REPORTER  
UNITED STATES COURT HOUSE  
TELEPHONE 2-0572  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

In re:

Application of Williams and Reed  
for an unorthodox location for  
their State No. 6 well to be  
located 1595' from the east line  
and 1180' from the south line in  
NWSWSE 17-18S-28E, Artesia Pool,  
Eddy County, New Mexico.

Case No. 301

TRANSCRIPT OF HEARING

August 21, 1951

MR. SHEPARD: The meeting will come to order. The next case in 301.

(Mr. Graham reads the Notice of Publication.)

MR. ARCHER: I am D. D. Archer from Artesia, New Mexico, representing Williams and Reed in that application.

MR. SHEPARD: If the Commission please, I would like to call the Commission's attention to this. While it was sent to the publisher in plenty of time, the required notice has not been given. If we continue with the case I think it should be with the understanding that it can be reopened or the order will be subject to objections of any party appearing at a later date.

MR. ARCHER: If the Commission please, the notice was sent to Artesia. It wasn't the fault of the papers or the Commission up here. It was the mail, if anything, because it was received at Artesia too late to get into the papers there and taken to Carlsbad immediately. Now the parties interested in this from the map as shown here, two of the parties have signed the entry of appearance and waiver of any objections. The third party -- just before leaving Artesia I received an answer from, response to objections from some attorneys in Arkansas for W. H. Richie. They have had notice of this application for some time now and they filed the application for the transmittal letter which was in my office which I would like permission to file with the understanding I might withdraw and furnish a copy of it. They show in the letter that they have no intention of contesting

other than filing the application. I would like to introduce as documentary evidence a letter dated August, 1950 from Patterson and Patterson, relative to the 40 acres owned by Mr. Richie, showing that from the -- especially next to the last paragraph on page 2 of the letter, " Mr. Richie is getting up in years and would like to dispose of his interest in this lease. Some years ago he had been connected with this company but that the option expired. I am wondering if your client would be interested in purchasing Mr. Richie's lease providing the purchase price was agreeable to both parties.

In this last paragraph on page 1, he states that he is advised by Mr. Richie -- "Mr. Richie tells me that his lease which he has not yet brought for me to see provides that he holds it perpetually as long as he pays an annual rental even though he does not undertake it himself. It is a new angle on lease to the writer. There is no intention on his part to try any products attempts or drilling." I would like to introduce that letter with permission to withdraw it and furnish a copy to the Commission.

I have entry of general appearance and waiver of any objections, consent to the approval of the application by V. S. Welch and Ruth L. Williams, the other leaseholders that would be effected by this application. If you will note from the map that it was before the Commission here that Mr. Richie's land would be less effected if any effecting at all because it was the corner, the southwest corner of his 40 acres would be the only effect or part that would be effected.

On this well as located here which is being drilled, it was one that was determined that it was not properly located, the well was 54.5 feet east of where it should be and 89.7 feet north of where it should actually be under the correct location.

MR. WHITE: When was that first discovered?

A MR. ARCHER: Just right before we made our application. They were down some three or four or five hundred feet at the time. If I am not mistaken. From the amount, the distance or depth there, Williamsland Reed on this lease, they have three wells and from those wells there has been a 122,495 barrels of oil produced. They are old wells, they have tried to recondition to get their oil from the 40 acres and it is an attempt now to get whatever oil they can from under 40 acres lease is the reason this other location was being located and drilled. At the time they determined that it was off location, they came into our office and we stated that it would have to be <sup>an</sup> unorthodox application for a unorthodox location be filed. The only parties from the USGS and from the state records that we could determine the ownership of these leases adjoining are W. H. Richie, RFD Route 1, Hartman, Arkansas, and B. S. Welch of Artesia, New Mexico and Ruth L. Williams, 6620 Marcon Avenue, Huntington Park, California. From the last two interested parties we have the waivers and consent that has been filed here this morning. The 500 feet casing has been set. The shallow well that they were drilling -- the 500 foot casing has already been set. The correspondence has been had back and forth from our office to Patterson and Patterson, the Arkansas attorneys, for the holder of the lease, Mr. Richie,

has been from the time we filed this application. So they have had actual knowledge of it and are in appearance here by their pleadings so truthfully I don't know that it would even have to be necessary, the Commission could find that all parties concerned in the matter were duly notified and had knowledge or was present and notwithstanding the fact that maybe the notice might be a day short as it is in this instance, they would not be determined in the lease by the notice.

MR. GRAHAM: The files show it was properly published in Santa Fe.

MR. ARCHER: That is right. Properly published in Santa Fe. Not only that, but Richie through his attorneys has filed an appearance, so that would waive any notice that might be necessary. The other two interested parties have entered their appearance and waived any objection and consented to the approval.

MR. WHITE: How many interested parties?

MR. ARCHER: Three.

MR. WHITE: Only two have given their waiver?

MR. ARCHER: Yes. Richie has objected to it here by the pleadings as filed in the case the day before yesterday. It was only received by us yesterday.

MR. GRAHAM: You wish the Commission to understand that Richie's land is privately owned?

MR. ARCHER: No, it is a state lease. It is his contention he has a lease that is perpetual as long as he pays the lease on it. Even though he doesn't produce it in any way.

MR. GRAHAM: You do not know if that is held by production on

some other tract?

MR. ARCHER: It is not.

MR. SPURRIER: What is the date of expiration of his lease?

MR. ARCHER: I thought that was in my file but I might state that Patterson and Patterson the attorneys, in their letter referred to the fact that when we first notified them relative to this, we told them and specially after we received the letter where they thought it was a perpetual lease and all we suggested that they write Mr. Newman of the Oil Conservation Commission office in Artesia and in that letter they stated they had taken the privilege of writing Mr. Newman. I don't know exactly offhand, I thought it was in my file, the date of expiration of the Richie lease.

MR. GRAHAM: That would be off record in the land office.

MR. ARCHER: Yes.

MR. SHEPARD: We will take this under advisement.

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STATE OF NEW MEXICO )

COUNTY OF BERNALILLO )

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 301, before the Oil Conservation Commission at Santa Fe, taken on August 21, 1951, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 15<sup>th</sup> day of Sept 1951.

Ada Dearnley  
REPORTER



LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

August 2, 1951

Archer & Billard  
Attorneys at Law  
Suite 202, Booker Building  
Artesia, New Mexico

Attention: Mr. Paul R. Dillard

Dear Sir:

Mr. W. H. Ritchey of this city has handed the writer your letters of July 23 and July 30, together with the enclosures sent him in your letter of July 23, relative to an application which you have pending as counsel for Williams & Reed Company for approval of the Conservation Commission of your state of the action of your client in locating and drilling a well within an area which apparently is prohibited by reason of its nearness to property on which Ritchey holds a lease and that of others, which application is self-explanatory.

Ritchey has requested that I advise him as to his rights under these circumstances. He states that he holds a lease on the forty acre tract set forth in the application from the State of New Mexico or some division thereof. The writer is not familiar with the laws of New Mexico in such cases; I am not familiar with the unitization laws of your state which might cover the question of drainage from the lands held under lease by Mr. Ritchey, nor am I familiar with the procedure authorizing the relief sought in the application and the possible future effect, if any, it might have upon Mr. Ritchey's property.

I have today taken the liberty of writing Mr. Justin P. Newman, Oil and Gas Inspector of your city, as set forth in the last paragraph of your letter of July 23, relative to this matter; and while it is not in any manner my position to delay an early hearing of your application, I am not in position to advise my client in his rights. It may be that the relief you seek to obtain is routine in nature and would not justify my contacting counsel there upon behalf of Mr. Ritchey.

Mr. Ritchey tells me that his lease, which he has not yet brought for me to see, provides that he holds it perpetually as long as he pays an annual rental, even though he does not undertake to develop it himself. This is a new angle on leasing to the writer, and may be peculiar to those leases issued by his sovereign lessor.

Archer & Billard, Attorneys  
Artesia, New Mexico  
August 2, 1951

Mr. Ritchey is getting up in years and tells me that he would like to dispose of his interest in this lease, that some years ago it had been optioned to Williams & Reed Company, or someone connected with this company, but that the option expired unexercised. I am wondering if your client would at this time be interested in purchasing Mr. Ritchey's lease providing a purchase price agreeable to both parties could be reached.

Your application will not be delayed any longer than is absolutely necessary for me to try to place myself in position to more fully advise Mr. Ritchey as he is insisting that I advise him on all details of his status under the existing circumstances; and just as soon as I hear from your Conservation Commission there I will be in position to write you immediately by air mail. In the meantime I would appreciate hearing from you and oblige.

Yours very truly

*George O. Patterson*  
George O. Patterson

GOP:ga

LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

August 18, 1951

Archer & Dillard  
Attorneys at Law  
P. O. Box 156  
Artesia, New Mexico

# 301

Re: Williams & Reed - Ritchey  
Application for Approval of  
Unorthodox Location of Well

Gentlemen:

Thank you for your letter of August 6, 1951. I have gone over its contents with Mr. Ritchey, and his present desire is to object to the granting of approval of the location of this well. He only instructed me to do this today, and for this reason I have hurriedly prepared and filed a Response and Objections with the Commission, a copy of which is enclosed.

It is my information that this hearing will be taken up probably at Santa Fe on Tuesday, August 21. Neither Mr. Ritchey or myself will be there and I assume that the matter will be heard on default of appearance.

I want to thank you for your courtesies in furnishing the information which you did to Mr. Ritchey in the first instance and also your promptness in answering my letter of inquiry following the same.

As to what steps Mr. Ritchey may take if the Commission should grant the approval, I am not prepared to say as he is contemplating a trip there himself some time in the late fall.

Yours very truly

*George O. Patterson*  
George O. Patterson

GOP:gm  
encl.

VIA AIR MAIL

D. D. ARCHER  
PAUL R. DILLARD  
JEANNE N. LEWIS  
SECRETARY

ARCHER & DILLARD

ATTORNEYS AT LAW  
SUITE 202 BOOKER BUILDING  
ARTESIA, NEW MEXICO

July 30, 1951.

*Case 301*

Mr. R. R. Spurrier,  
Director of Oil Conservation  
Commission,  
P. O. Box 871,  
Santa Fe, New Mexico.

Dear Dick:

In "The Matter of the Application of Williams & Reed  
for Approval of an Unorthodox Well Location" we have secured  
Waivers of Objections from V. S. Welch and from Ruth L.  
Williams.

We have not heard from the Mr. Ritchey whom we wrote  
one week ago today, but we have written him again today  
urging him to sign and return his Waiver of Objections.

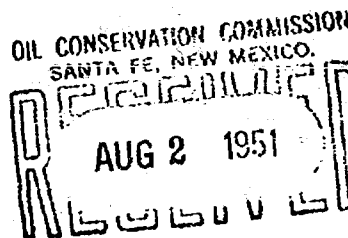
When we receive it from Mr. Ritchey, we will have  
secured the consent of all interested parties.

Yours truly,

ARCHER & DILLARD,

by *Paul R. Dillard*

PRD/mlw



LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

RECEIVED  
SANTA FE, NEW MEXICO  
AUG 20 1951

*Case 301*

August 18, 1951

VIA AIR MAIL

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

Gentlemen:

On behalf of Mr. W. H. Ritchey of this city, I am enclosing herewith for filing with your commission Response and Objections to Application made by Williams & Reed of Artesia, New Mexico, for the Commission's approval for the unorthodox location of an oil well designated as Williams & Reed State Well No. 6 located in NW $\frac{1}{4}$  SW $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 17, Township 18 South, Range 28 N.M.P.M. in Eddy County of your state.

It is my information that this matter will likely come on for hearing on August 21, which will be next Tuesday. Neither Mr. Ritchey nor myself will be able to appear within that time and desire to have this filed. If the hearing proceeds and the application is granted, please advise the procedure necessary relating to filing appeals in such cases, and also advise the length of time within which to file requests for appeals.

A letter from Mr. Justin Newman of your Commission to the writer of August 6, 1951 stated that a book of your Rules and Regulations on drilling wells in your state was being sent me; however, I have not yet received the same. Please let this come forward and oblige.

Yours very truly

*George O. Patterson*  
George O. Patterson

GOP:ga  
encl.

OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
AUG 20 1951  
RECEIVED

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION )  
OF WILLIAMS & REED FOR APPROVAL )  
OF UNORTHODOX WELL LOCATION. )

CASE NO. 301

SEPARATE RESPONSE AND OBJECTIONS OF W. H. RITCHEY,  
CLARKSVILLE, ARKANSAS TO APPLICATION

Comes now W. H. Ritchey, 614 Miller Street, Clarksville, Arkansas, appearing by and through his attorney, George O. Patterson, Patterson Building, Clarksville, Arkansas, and files this as his separate response and objections to the application filed by the petitioner, Williams & Reed, P. O. Box 1086, Artesia, New Mexico, for the approval of this Commission for the unorthodox location of an oil well now in course of being drilled in the Artesia Pool by said petitioner as their No. 6 State Well, and for such response and objections, states:

1. That respondent, W. H. Ritchey, is as alleged and set forth in said application an interested party in property located within 660 feet of said well now being drilled.

2. That respondent is informed and believes, and therefore alleges that if the petitioner is permitted to continue the drilling of its said well as aforesaid in the Northeast Quarter of the Southwest Quarter of the Southeast Quarter (NE $\frac{1}{4}$  SW $\frac{1}{4}$  SE $\frac{1}{4}$ ) of Section Seventeen (17), Township Eighteen (18) South, Range Twenty-eight (28) N.M.P.M., Eddy County, New Mexico, and and to pursue the same to production, that production from said well, by reason of its proximity to the boundary line of the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$  NE $\frac{1}{4}$ ) of said Section, Township and Range, upon which this respondent holds a leasehold interest, would drain from said forty-acre tract in which respondent has such interest oil, gas or petroleum; and that the granting of approval to said unorthodox location under such circumstances would in effect defeat the purpose and intent of the Rules and Regulations of this Commission and the laws of the State of New Mexico in that the same would permit the taking of oil from a prohibited area to the damage of this respondent in his ownership of said interest in the said forty-acre tract above described which lies to the north of said well.

3. That said application does not set forth facts entitling petitioner, Williams & Reed, to an approval of such unorthodox location of said oil well, or that the approval thereof would be for the best interests for the conservation of oil, gas and/or petroleum products, or that the approval of said location and the taking of oil from said well would not in any manner damage the rights of adjoining land owners or leaseholders, but merely states that the location was the result of a mistake made in a survey.

WHEREFORE, your respondent prays:

(a) That upon hearing of said application petitioner be held to strict proof and showing that the granting and approval of such location would not be injurious to the persons interested in the property located within 660 feet of said well, and

(b) That upon final hearing said application be in all things disapproved and denied.

RESPECTFULLY SUBMITTED

W. H. RITCHEY, 614 Miller Street  
Clarksville, Arkansas

By

*George O. Patterson*  
George O. Patterson, Patterson Building,  
Clarksville, Arkansas

LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

September 17, 1951

Mr. Jason Kellahin, Attorney  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

RE: Case No. 301, Williams & Reed  
State No. 6, NW/4 SW/4 Sect. 17,  
Twp. 18 S, Rge. 28 E. NMPM

Dear Sir:

Thank you very much for your letter of September 14, 1951 relative to the captioned matter, in which you advise that such matter is now under advisement by the Commission but that it is your information that the Director of the Commission will likely recommend approval of the Williams & Reed location, and that as soon as such order is entered a copy will be sent me.

My client, Mr. Ritchey, is at present in the West, and in order to preserve his rights in the event an order is entered as you state until I can see him, I would appreciate your writing me the steps necessary to effect an appeal from or re-hearing of the order.

Thanking you again, I am

Yours very truly

*George O. Patterson*  
George O. Patterson

GOP:gm



OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

September 14, 1951

Mr. George O. Patterson, Attorney  
Patterson Building  
Clarksville, Arkansas

Dear Mr. Patterson:

RE: Case 301, Williams & Reed  
State No. 6, NW/4 SW/4 Sect. 17,  
Twp. 18 S. Rce. 28 E. NMPH

In answer to your letter of August 31, 1951, the Williams and Reed application for an unorthodox location for their State Well No. 6 was docketed as Case 301 before the New Mexico Oil Conservation Commission. The case was heard on August 21 and taken under advisement by the Commission.

While no order has yet been entered by the Commission, Mr. R. R. Spurrier, Commission director, informs me he will recommend approval of the Williams & Reed location. As soon as an order is entered, a copy will of course be sent to you.

A copy of our rules was mailed to you several weeks ago. I trust you have received a copy by this time.

Very truly yours,

Jason Kellahin, Attorney

JK:mr

cc - J. Newman

Case 301

C  
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P  
Y

LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

August 31, 1951

VIA AIR MAIL

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

*Case* \_\_\_\_\_ ?

On August 18, on behalf of Mr. W. H. Ritchey of this city, I sent to you for filing a Response and Objections to the application made by Williams & Reed of Artesia, New Mexico for your Commission's approval of an unorthodox location of an oil well designated as Williams & Reed State Well No. 6 located in NW $\frac{1}{4}$  SW $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 17, Township 18 South, Range 28 N.M.P.M. in Eddy County of your state.

This was to be filed for consideration at the hearing of the application on August 21. I assume that this hearing was held on August 21 and that action was taken on the application.

Can you advise me in the enclosed envelope, by return air mail, what steps were taken on the application, whether it was granted, refused, or postponed, and very greatly oblige.

Yours very truly

*George O. Patterson*  
George O. Patterson

GOP:ga  
encl.

OIL CON.  
SA  
RECEIVED  
SEP 4 1951

RRS —

Patterson's Correspondence  
was incorporated into file  
on Case 301.

This letter requesting  
information on Order  
was received only two  
days' ago. Sept 4

N.

Case 301

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
SEP 6 1951

Sept. 4, 1951

Mr. George O. Patterson,  
Attorney at Law,  
Patterson Building,  
Clarksville, Ark.

Dear Mr. Patterson: 301

In answer to your letter of August 31st: Case No. 305 was heard on August 21st and the Commission took the matter under advisement.

You stated in your letter that neither Mr. Spurrier nor myself sent you a book of our Rules & Regulations. I am absolutely positive the book was mailed to you, correctly addressed, from this office. However, I am mailing you another copy today.

After reading your letter carefully, I believe this is the only request in it. As I told you before, all requests for information concerning hearings should be taken up with Mr. R. R. Spurrier, Director, Oil Conservation Commission, Box 871, Santa Fe, New Mexico.

Very truly yours,

OIL CONSERVATION COMMISSION

BY

Justin Newman  
Oil & Gas Inspector

JFm/lp

cc: Mr. R. R. Spurrier

cc: Mr. R. R. Spurrier:

I think some of the exhibits in this case will prove this firm got a copy of the book of Rules and Regulations.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION  
OF NEW MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 301  
ORDER NO. R-99

THE MATTER OF THE APPLICATION OF  
WILLIAMS AND REED FOR AN ORDER APPROVING  
AN UNORTHODOX WELL LOCATION FOR ITS  
NO. 6 STATE WELL 1595 FEET FROM THE EAST LINE  
AND 1180 FEET FROM THE SOUTH LINE IN NW/4  
SW/4 SE/4 OF SECTION 17, TOWNSHIP 18 SOUTH,  
RANGE 28 EAST, NMPM, IN THE ARTESIA POOL,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a. m., on August 21, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this <sup>24th</sup> day of ~~September~~ <sup>October</sup>, 1951, the Commission, a quorum being present, having fully considered the record and the testimony adduced and exhibits received at said hearing, and being fully advised in the premises,

FINDS, (1) That due public notice having been given according to law, the Commission has jurisdiction of this cause, the persons and subject matter thereof.

(2) That petitioner has located a well known as Williams and Reed No. 6 State, in NE/4 SW/4 SE/4 of Section 17, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, and that such well is located 1595 feet from the east line and 1180 feet from the south line of said Section 17.

(3) That location of said well was the result of a survey later discovered to be erroneous.

(4) That the location of said well should be approved as an unorthodox location, and that such approval will tend to promote conservation and prevent waste, and will not interfere with correlative rights of adjoining lessees.

IT IS THEREFORE ORDERED: That the location of Williams and Reed No. 6 State in NW/4 SW/4 SE/4 of Section 17, Township 18 South, Range 28 East, NMPM, 1595 feet from the east line and 1180 feet from the south line of said Section 17 be, and the same hereby is approved;

DONE at Santa Fe, New Mexico, on the day and year hereinabove written.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

Edwin L. Freeman : Chairman

: Member

R. L. Goussier : Secretary

INTER-OFFICE TRANSMITTAL SLIP

TO R.R.S.

FROM J.K.

(301)

15 days  
from 11

- ☐ For Approval
- ☐ For Signature
- ☒ Note and Advise
- ☐ Note and Return
- ☐ For Your Files
- ☐ For Your Handling

OK R.S.

Remarks:

would suggest we enter in minutes  
(and by order, if necessary), including this  
for filing petition for rehearing, since we  
did fail to mail a copy of the order <sup>as so associated</sup> as we  
should have done. Commission then can  
take what action it desires on the petition.

STATE OF NEW MEXICO  
OFFICE OF STATE GEOLOGIST  
SANTA FE, NEW MEXICO

November 16, 1951

C  
O  
P  
Y  
  
Mr. George O. Patterson  
Patterson Building  
Clarksville, Arkansas

Dear Sir:

Re: Oil Case No. 301 (Order R-99)

We refer to your request of November 10, 1951, for an extension of time beyond the twenty-day limit in filing for a re-hearing in the above case.

In view of the fact that you were inadvertently omitted from the mailing when copies of the order were sent out, the Commission feels that you are justified in asking for this exception to the rules.

We therefore will consider your petition if it is received within fifteen days of date of this letter.

Very truly yours,

Jason Kallahin, Attorney

JK:mr

cc: Archer and Dillard, Attorneys  
Artesia, New Mexico

VIA AIR MAIL

LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS

GEORGE O. PATTERSON  
EDWARD H. PATTERSON

November 10, 1951

Mr. R. R. Spurrier  
Director, Oil Conservation Commission  
of the State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: Case No. 301, Order No. R-99  
In the Matter of the Application of Williams  
& Reed for an Order Approving an Unorthodox  
Well Location for State Well No. 6

Gentlemen:

I represent Mr. W. H. Ritchey, owner of the 40 acres to the North adjacent to the tract upon which the Commission approved the unorthodox location of Williams & Reed No. 6 State Well by its order dated October 15, 1951, this matter having been submitted to the Commission on August 21, 1951, taken under advisement and the order made on October 15, 1951.

As I understand the rules and regulations of the Commission, Petition for Rehearing must be filed within twenty days from the date of the order. This order was not mailed to me until so late that I did not receive it until November 7, more than twenty days from the date the order bears, October 15, 1951. Mr. Ritchey has requested that I take steps to ask for a rehearing, and inasmuch as I was not supplied with a copy of the order of October 15 until the expiration of twenty days thereafter, I would like to ask permission for an enlargement or extension of the time in this case to file a petition for rehearing upon Mr. Ritchey's behalf.

Copy of this letter is being sent to Attorneys Archer & Dillard, attorneys for Williams & Reed, at Artesia, New Mexico.

I trust that the Commission may see fit to enlarge this time under the circumstances which, if the twenty days' rule is invoked, would have the effect of denying the petition for rehearing.

May I hear from you at your earliest opportunity by return air

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

NOV 13 1951

GOP:gm

cc: Archer & Dillard, Attorneys  
Artesia, New Mexico

Yours very truly

George O. Patterson



INTER-OFFICE TRANSMITTAL SLIP

TO RRS

FROM \_\_\_\_\_

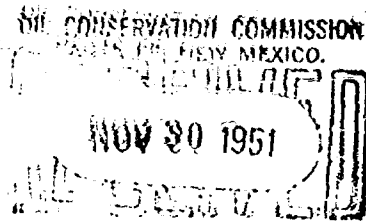
- ☐ For Approval
- ☐ For Signature
- ☒ Note and Advise
- ☐ Note and Return
- ☐ For Your Files
- ☐ For Your Handling

*Deny*

Remarks:

*Suggest this application for a  
rehearing presents nothing new. We  
allowed additional time for Patterson  
to file application for rehearing because  
he was not notified of the Commission's  
action in time to apply within 20 days.*

LAW OFFICES  
PATTERSON & PATTERSON  
PATTERSON BUILDING  
CLARKSVILLE, ARKANSAS



GEORGE O. PATTERSON  
EDWARD H. PATTERSON

November 26, 1951

REGISTERED AIR MAIL  
RETURN RECEIPT REQUESTED

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

Re: Case No. 301, Order R-99

Attention: Mr. R. R. Spurrier  
Secretary and Director

Gentlemen:

I enclose herewith Petition for Rehearing on the part of an adjoining landowner, W. H. Ritchey, in the captioned matter upon which an Order was made on October 15, 1951 approving an unorthodox location of State Well No. 6 of Williams and Reed in the Artesia field.

Referring to letter of Mr. Jason Kellahin, Attorney for the Commission, dated November 16, 1951, you will note that the time for filing this petition was enlarged by reason of the circumstances set forth in Mr. Kellahin's said letter.

Please file this petition, and I would appreciate your advising what action is taken by the Commission after its consideration of the same.

Thanking you, I am

Yours very truly  
*George O. Patterson*  
George O. Patterson

GOP:gm  
encl.

cc: Archer & Dillard  
Attorneys at Law  
Booker Building  
Artesia, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

|                                    |              |
|------------------------------------|--------------|
| IN THE MATTER OF THE APPLICATION ) |              |
| OF WILLIAMS & REED FOR APPROVAL )  | CASE NO. 301 |
| OF UNORTHODOX WELL LOCATION. )     | ORDER R-99   |

PETITION FOR REHEARING

Comes now W. H. Ritchey, 614 Miller Street, Clarksville, Arkansas, by and through his attorney, George O. Patterson, Clarksville, Arkansas, and files this as his petition for rehearing and reconsideration by this Commission or its Order heretofore made in this cause dated October 15, 1951, and by special permission of this Commission enlarging the time to file this said petition for rehearing, and respectfully requests this Commission that it rehear and reconsider its said Order of October 15, 1951 granting approval to the application of Williams & Reed approving an unorthodox location for an oil well for its said State Well No. 6 situated on the 40-acre tract lying to the south of this petitioner, and for cause therefor states:

1. That said Order is erroneous and prejudicial to this petitioner in the following particulars, to-wit:

(a) That the approval of said unorthodox location permitting the completion of said State Well No. 6 of Williams & Reed in such close proximity to the boundary line of the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$  NE $\frac{1}{4}$ ) of Section Seventeen (17), Township Eighteen (18) South, Range Twenty-eight (28) N.M. P.M., Eddy County, New Mexico that production of oil therefrom would likely drain oil and gas from said 40-acre tract in which said petitioner, W. H. Ritchey, holds a leasehold interest as would damage and become greatly prejudicial to this petitioner in his ownership of said leasehold interest in said 40-acre tract to the north, and that this petitioner has no adequate remedy at law or in equity to protect his said rights against such damage in the event such would occur, which petitioner is informed and believes, and therefore alleges, would accrue to his said damage.

(b) That said Order is erroneous in the further respect that the granting of approval to said unorthodox location under such circumstances defeats the purpose and intent of the Rules and Regulations of this Commission

and the laws of the State of New Mexico in that the same will permit the taking of oil and gas from a prohibited area to the damage of this petitioner in his ownership of said interest in said 40-acre tract of land lying to the north of said unorthodox location of said well.

(c) That the evidence considered in rendering said Order is insufficient to show that to permit the taking of oil and gas from said approved location so close to the boundary of petitioner's leasehold interest would prevent drainage or damage to said petitioner's interest under his lease, and is insufficient to show that the petitioner would not be damaged; but such finding that such unorthodox location would not injure said petitioner is based upon speculation and is therefore erroneous.

(d) That the application filed by said applicant, Williams & Reed, for approval of said unorthodox location did not set forth facts sufficient to hear and consider evidence affecting the rights of adjoining landowners or leaseholders, but asked approval solely upon the ground that the location of said well was the result of a mistake in a survey.

(e) That said Order is otherwise erroneous and contrary to the laws of the State of New Mexico and the Act of the General Assembly thereof creating this Commission.

WHEREFORE, your petitioner prays that he be granted a rehearing and reconsideration in this cause, and that upon such rehearing and reconsideration, said Order of October 15, 1951 granting approval of this Commission to the unorthodox location of said well of Williams & Reed be set aside and held for naught.

RESPECTFULLY SUBMITTED

W. H. RITCHEY

By

*George O. Patterson*  
His Attorney

STATE OF ARKANSAS)  
County of Johnson)

George O. Patterson states on oath that he is attorney for W. H. Ritchey, petitioner in the above and foregoing Petition for Rehearing; that the said W. H. Ritchey is temporarily absent from Johnson County, Arkansas; that said attorney has read the above and foregoing Petition and verily believes that the same states a meritorious reason for the granting of such rehearing, and that the same is not filed for the purpose of delay.

*George O. Patterson*

Subscribed and sworn to before me, a Notary Public, on this 26th day of November, 1951.

Notary Public

My comm. exp. 2/21/53

STATE OF NEW MEXICO  
OFFICE OF STATE GEOLOGIST  
SANTA FE, NEW MEXICO

December 19, 1951

Mr. George O. Patterson  
Patterson & Patterson  
Patterson Building  
Clarksville, Arkansas

Dear Mr. Patterson:

Enclosed is a signed copy of Order R-99-A, issued and signed by the Oil Conservation Commission on December 18, 1951, in conjunction with Case 301 and its related Order R-99.

Yours very truly,

Jason Kellahin, Attorney

JK:mr  
Encl.

C  
O  
P  
Y

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF CON-  
SIDERING:

CASE No. 301  
ORDER No. R-99-A

THE MATTER OF THE APPLICATION OF  
WILLIAMS & REED FOR AN ORDER  
APPROVING AN UNORTHODOX WELL  
LOCATION FOR ITS NO. 6 STATE WELL,  
1595 FEET FROM THE EAST LINE AND  
1180 FEET FROM THE SOUTH LINE IN  
NW/4 SW/4 SE/4 OF SECTION 17, T.18 S,  
R.28 E, NMPM, IN THE ARTESIA POOL,  
EDDY COUNTY, NEW MEXICO

ORDER DENYING REHEARING

BY THE COMMISSION:

W. H. Ritchey, by his attorney, George O. Patterson, having filed with the Commission a petition for rehearing of the above-captioned matter on the alleged grounds that Order No. R-99, heretofore entered on October 15, 1951, was erroneous and prejudicial to petitioner W. H. Ritchey, and,

Said petition having been timely filed under an extension of time granted by the Commission, and the Commission having fully considered said petition and having concluded it is not well taken,

IT IS THEREFORE ORDERED:

That the petition for rehearing filed by W. H. Ritchey will be, and the same hereby is denied.

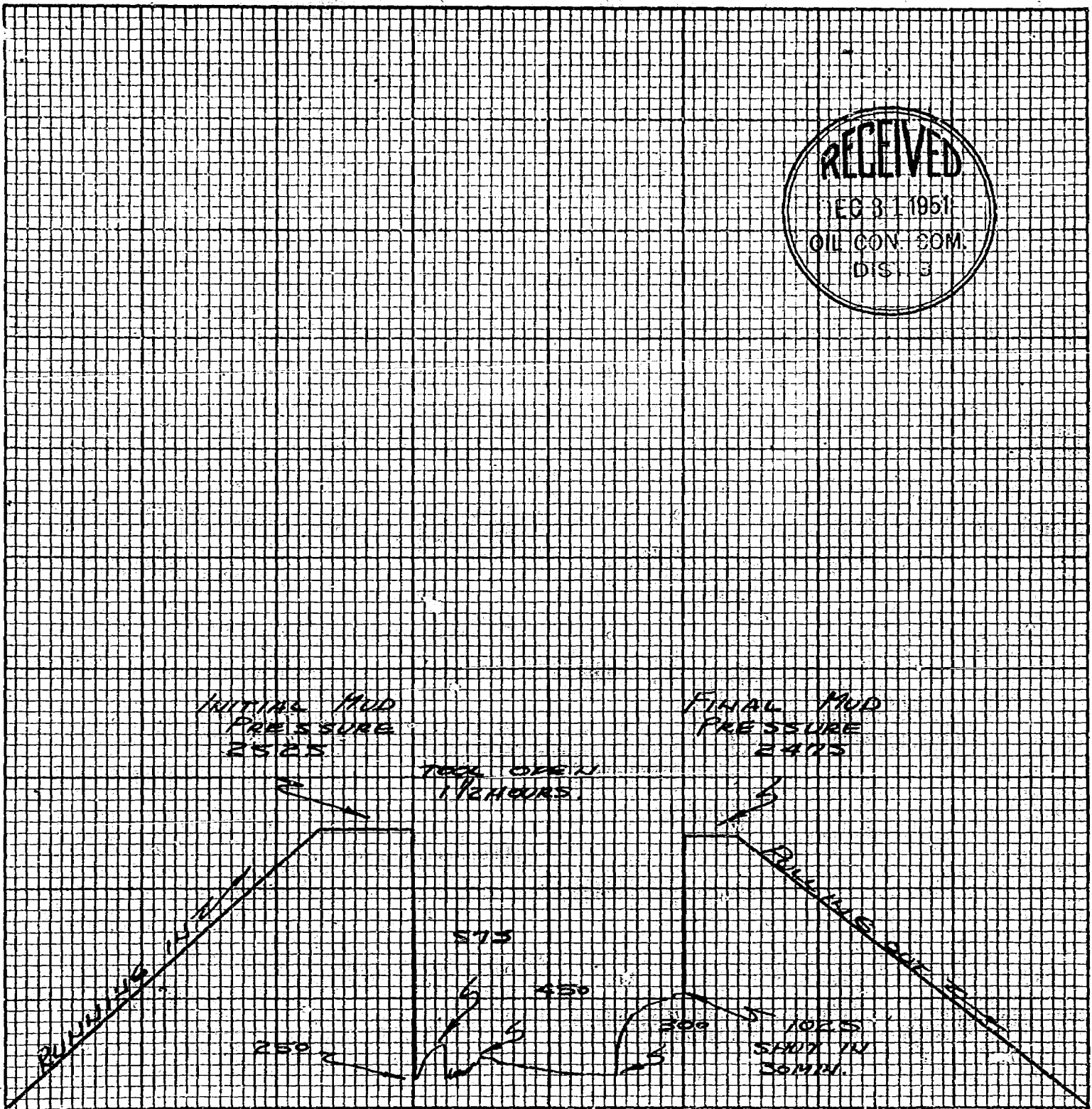
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Edwin L. Mechem*  
EDWIN L. MECHEM, Chairman

*Guy Shepard*  
GUY SHEPARD, Member

*R. R. Spurrer*  
R. R. SPURRIER, Secretary

Chad 200?



### JOHNSTON OIL FIELD SERVICE CORPORATION DEPTH PRESSURE RECORD

|                                                                |                                             |
|----------------------------------------------------------------|---------------------------------------------|
| COMPANY <u>DELHI OIL CORP.</u>                                 | DATE OF TEST <u>12-15-51</u>                |
| WELL NO. <u>HUBBARD #1</u>                                     | RECORDER NO. <u>L-254</u>                   |
| LOCATION <u>THE GLADE</u>                                      | PRESSURE ELEMENT <u>7500 #</u>              |
| PACKER SET AT <u>4713'</u>                                     | MAX. TEMP. <u>      </u> MUD WT. <u>9.6</u> |
| DEPTH <u>4764'</u>                                             | DATE CALIBRATED <u>9-27-51</u>              |
| WATER CUSHION <u>      </u>                                    | CHOKE SIZE <u>3/4" X 1"</u>                 |
| FLUID RISE <u>300'</u> HEAVY GAS CUT MUD - NO H <sub>2</sub> O | TEST TICKET <u>54598 - Form</u>             |
| TOP PRESSURE <u>      </u>                                     |                                             |

B.V.

M. JOHNSON.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO.

*Ex 27*

IN THE MATTER OF THE APPLICATION )  
OF WILLIAMS & REED FOR APPROVAL )  
OF AN UNORTHODOX WELL LOCATION. )

CASE NO. 301.

ENTRY OF GENERAL APPEARANCE, WAIVER OF  
ANY OBJECTIONS, AND CONSENT TO APPROVAL OF APPLICATION

Comes now V. S. Welch, of Artesia, New Mexico, owner of State of New Mexico oil and gas lease covering NW $\frac{1}{4}$ SE $\frac{1}{4}$  Section 17, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, enters his general appearance herein, waives any objections in the above proceeding, and consents to the approval of the Application filed herein by Williams & Reed for approval of unorthodox well location now being drilled and nearly completed in the Artesia Pool by Williams & Reed as their No. 6 State Well in NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 17, Township 18 South, Range 28 East, N.M.P.M., same being located 1595 feet from the East line and 1180 feet from the South line of said Section 17 as a result of a survey later discovered to be incorrect.

Dated at Artesia, New Mexico, this 24<sup>th</sup> day of July, 1951.

*V. S. Welch*  
V. S. WELCH

Subscribed and sworn to before me by V. S. Welch, this 24<sup>th</sup> day of July, 1951.

*Shelley Seaman*  
Notary Public in and for Eddy County,  
State of New Mexico.

My commission expires:  
My Commission Expires Nov. 8, 1952



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO.

EX #

IN THE MATTER OF THE APPLICATION )  
OF WILLIAMS & REED FOR APPROVAL )  
OF AN UNORTHODOX WELL LOCATION. )

CASE NO. 301.

ENTRY OF GENERAL APPEARANCE, WAIVER OF  
ANY OBJECTIONS, AND CONSENT TO APPROVAL OF APPLICATION

Comes now Ruth L. Williams, of 6820 Marconi Ave., Huntington Park, California, owner of State of New Mexico oil and gas lease covering S $\frac{1}{2}$ SE $\frac{1}{4}$  Section 17, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, enters her general appearance herein, waives any objections in the above proceeding, and consents to the approval of the Application filed herein by Williams & Reed for approval of unorthodox well location now being drilled and nearly completed in the Artesia Pool by Williams & Reed as their No. 6 State Well in NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 17, Township 18 South, Range 28 East, N.M.P.M., same being located 1595 feet from the East line and 1180 feet from the South line of said Section 17 as a result of a survey later discovered to be incorrect.

Dated at Huntington Park, California, this 25<sup>th</sup> day of July, 1951.

Ruth L. Williams  
RUTH L. WILLIAMS

Subscribed and sworn to before me by Ruth L. Williams, this  
25<sup>th</sup> day of July, 1951.

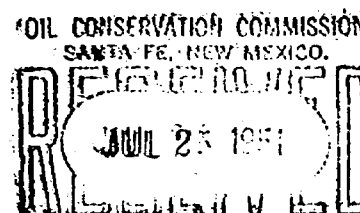
J. B. Namilton  
Notary Public in and for Los Angeles  
County, State of California

My commission expires:  
My Commission Expires July 29, 1958

D. D. ARCHER  
PAUL R. DILLARD  
JEANNE N. LEWIS  
SECRETARY

ARCHER & DILLARD  
ATTORNEYS AT LAW  
SUITE 202 BOOKER BUILDING  
ARTESIA, NEW MEXICO

July 23, 1951.



Mr. R. R. Spurrier,  
Director of Oil Conservation Commission,  
P. O. Box 871,  
Santa Fe, New Mexico.

*Case 301*

Dear Dick:

Pursuant to our July 19 letter to you, we enclose a map that you may study on application of Williams & Reed for unorthodox location on their No. 6 State Well located in SW $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 17, T-18-S, R-28-E, NMPM, Eddy County, to-wit, 1595' from East line and 1180 feet from South line of said Sec. 17.

Today we have mailed, air-mail, to the three interested parties a copy of the Application, a copy of this Map, and a Waiver of Objections to sign if they wish to do so.

Yours truly,

ARCHER & DILLARD,

by Paul R. Dillard

PRD/mlw  
Enc. Map.

Graham  
Aug 21  
Harring

D. D. ARCHER  
PAUL R. DILLARD  
JEANNE N. LEWIS  
SECRETARY

ARCHER & DILLARD  
ATTORNEYS AT LAW  
SUITE 202 BOOKER BUILDING  
ARTESIA, NEW MEXICO  
July 19, 1951.

Cdsc 301  
2916

Mr. R. R. Spurrier,  
Director of Oil Conservation Commission,  
P. O. Box 871,  
Santa Fe, New Mexico.

Dear Dick;

Attached please find original and one copy of Application of Williams & Reed for an unorthodox location on well being drilled and now almost completed.

We are getting up the necessary plats, and will send you one to study in advance of the hearing.

We are writing other interested parties for their OK on our application.

Would appreciate all you can do to expedite the early hearing on the matter.

Yours very truly,

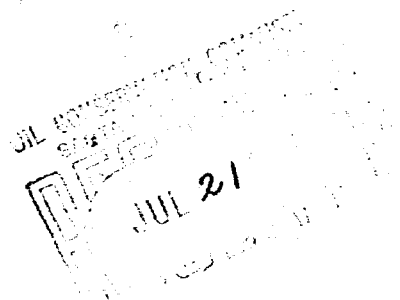
ARCHER & DILLARD,

by Paul R. Dillard

PRD/mlw  
Encls. as listed.

CC- Williams & Reed,  
Box 1086,  
Artesia, N.M.

CC- Mr. Justin Newman,  
Oil and Gas Inspector for  
Oil Conservation Commission,  
Booker Bldg.,  
Artesia, N.M.



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION )  
OF WILLIAMS & REED FOR APPROVAL )  
OF AN UNORTHODOX WELL LOCATION. )

CASE NO. 301.

APPLICATION

TO THE HONORABLE OIL CONSERVATION COMMISSION, STATE OF NEW MEXICO:

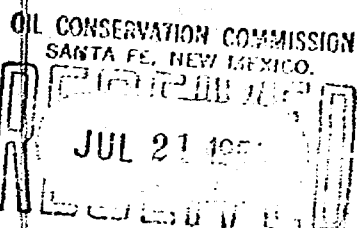
Petitioner herein, Williams & Reed, P.O. Box 1086, Artesia, New Mexico, appearing by their attorneys, Archer & Dillard, hereby makes application for a hearing to obtain the Commission's approval for the unorthodox location of an oil well which is now being drilled in the Artesia Pool by Williams & Reed as their No. 6 State well, in NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 17, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, same being located 1595 feet from the East line and 1180 feet from the South line of said Section 17. This location was the result of a survey later discovered to be incorrect.

The only other persons interested in property located within 660 feet of said well now being drilled is as follows:

NE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 17: W. H. Ritchey, R.F.D. #1,  
Hartman, Arkansas,  
NW $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 17: V. S. Welch, Artesia, New Mexico,  
S $\frac{1}{2}$ SE $\frac{1}{4}$  of said Section 17: Ruth L. Williams, 6820 Marconi  
Ave., Huntington Park, Calif.,

(the said Ruth L. Williams being the wife of H.E. Williams of the firm of Williams & Reed, petitioner herein and she having a sub-lease arrangement with petitioner as to her acreage) and we are to-day writing W. H. Ritchey, V. S. Welch, and Ruth L. Williams, for their entry of general appearance herein, their waiver of any objections to the request made herein, and their consent to your approval of this Application without any further notice to them.

This shallow well has casing set at 500 feet and is about to be completed, and it is respectfully requested that notice be given, and a hearing be held on this Application at the earliest practicable date so that the oil may be sold.



ARCHER & DILLARD,

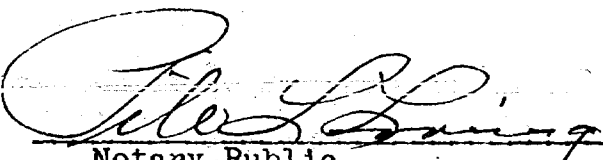
by Arch  
202 Booker Bldg.,  
Artesia, New Mexico,  
Attorneys for Petitioner.

STATE OF NEW MEXICO)  
: SS  
COUNTY OF EDDY)

D. D. Archer, of lawful age, being first duly sworn upon his oath, deposes and says that he is personally acquainted with the facts stated in the foregoing application and he hereby verifies the same as true and correct.

  
D. D. Archer

Subscribed and sworn to before me by D. D. Archer this 19th day of July, 1951.

  
Notary Public

My commission expires:  
~~January 13, 1955~~

MY COMMISSION EXPIRES MAR. 23, 1952

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO.  
RECEIVED  
JUL 21 1951  
RECEIVED