

Case No.

138

Application, Transcript,
Small Exhibits, Etc.

SECRET

DATE

11

AGENDA FOR HEARING OF JULY 29, 1948

CASE NO. 153

In the matter of the application of Repollo Oil Company for bonus discovery allowable under Commission Order No. 573, for well No. 5, Phillips "A" lease, located in the SW/4 SW/4 section 31, T.19 S, R.37E, N.M.P.M., Lea County, New Mexico.

CASE NO. 152

In the matter of the application of Grayburg Oil Company of New Mexico and Western Production Company, Inc, for an order granting permission to drill twenty-eight unorthodox locations on leases within the boundaries of the Grayburg Cooperative and Unit Area in T.17 S, R.29 and 30 E, N.M.P.M., in the Grayburg-Jackson pool, Eddy County, New Mexico.

CASE NO. 154

In the matter of the application of Magnolia Petroleum Company, a corporation of Dallas, Texas, for approval of the Foster Unit Area and Agreement, covering and including the following described lands: Lots 1 and 2, S $\frac{1}{2}$ SE $\frac{1}{4}$ section 33; Lots 1,2,3,4, and 5, S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ section 34; Lots 1,2,3,4, and 5, S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, section 35; Lots 1,2,3, and 4, S $\frac{1}{2}$ S $\frac{1}{2}$ section 36, T. 20 $\frac{1}{2}$ S, R. 22 E; S $\frac{1}{2}$ section 13, S $\frac{1}{2}$ section 14; all sections 22,23,24,25,26,27,28,33,34,35 and 36, T. 20 S, R. 23E; Lots 1,2,3,4, and 5, S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ section 31; Lot 4, SW $\frac{1}{4}$ SW $\frac{1}{4}$ section 32, T. 20 $\frac{1}{2}$ S, R. 23E; Lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$ section 18; Lots 1,2,3, and 4, E $\frac{1}{2}$ W $\frac{1}{2}$ section 19; Lots 1,2,3, and 4, E $\frac{1}{2}$ W $\frac{1}{2}$ section 30; Lots 1,2,3, and 4, E $\frac{1}{2}$ W $\frac{1}{2}$ section 31, T. 20 S, R. 24 E, N.M.P.M. containing 10,289.50 acres, more or less, in Eddy County, New Mexico.

CASE NO. 155

In the matter of the application of the New Mexico Oil Conservation Commission, at the request of the Lea County Operators Committee for an order clarifying and amending Commission Order No. 52, dated February 1, 1937, and relating to rules and regulations for Lea County pools.

CASE NO. 156

In the matter of the application of the New Mexico Oil Conservation Commission, at the request of the Lea County Operators Committee for an order amending Commission Order No. 712 of August 4, 1947, and known as the Lea-Eddy-Chaves Counties New Mexico Gas-Oil Ratio Order.

Case No. 110 (continued); Case No. 104 in which Commission retained jurisdiction and upon further motion of the Oil Conservation Commission; Hardin-Houston, Hobbs, New Mexico; Walter Famariss, Hobbs, New Mexico; Lea County Operators Committee:

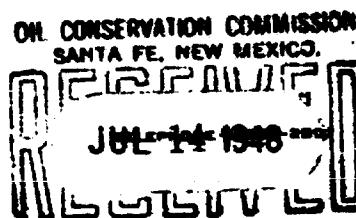
In the matter of an order or orders of general application regulating tank cleaning, plants processing tank bottoms, and the reclaiming of waste oil.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALBERT R. KOOL
HARRY L. BIGBEE

BIGBEE AND KOOL
ATTORNEYS AT LAW
PLAZA BUILDING
105 WEST SAN FRANCISCO
SANTA FE, NEW MEXICO

July 13, 1948



Mr. Richard R. Spurrier
State Geologist
Santa Fe, New Mexico

Dear Mr. Spurrier:

Reference is made to our telephone conversation of yesterday, and as attorneys for Petrolite Corporation, Ltd., we have been instructed to dismiss the pending application to permit the Petrolite Corporation to operate a reclamation plan in New Mexico for the purpose of reclaiming salvagable oil and wax from tank bottoms, pits, et cetera, and we are therefore withdrawing this application which, I understood from our conversation, will be done automatically upon receipt of this letter, without the necessity of filing any further pleadings in the cause or making any further appearance.

Yours very truly,

BIGBEE AND KOOL

By: *Harry L. Bigbee*

HLB
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HLB/j

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Y

16 April 1948

Mr. Harry L. Bigbee
Attorney At Law
105 West San Francisco
Santa Fe, New Mexico

Dear Mr. Bigbee:

This is to advise you that your petition known as Case No. 138 will be heard at a hearing to be held in the House of Representatives on April 30th, beginning at 10:00 o'clock A.M.

Very truly yours,

REB:sup

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico, by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearing to be held April 30, 1946, beginning at 10:00 o'clock A.M. on that day in the City of Santa Fe, New Mexico:

STATE OF NEW MEXICO TO:

All named parties in the following cases
and notice to the public.

CASE NO. 137

In the matter of the application of Keweenaw Oil Company for an order granting permission to drill one unorthodox location designated as Well No. 35-2 to the "red sand" on that portion of its Smith 2 Lease described as the SW¹/₄ of Section 27, Township 17 South, Range 32 East, N.M.P.M. in Lea County, New Mexico.

CASE NO. 138

In the matter of the application of Petrolite Corporation Ltd., for a permit or authority to clean tanks, treat waste, purchase and/or process tank bottoms, and waste oil otherwise unmarketable and for a general order relating to such operations.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico on April 15, 1946.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BY

R. E. Spurgeon
R. E. SPURGEON, Secretary

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

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

CASE NO. 138
Order NO. 768 A

IN THE MATTER OF THE APPLICATION OF PETROLITE
CORPORATION LTD., FOR A PERMIT OR AUTHORITY
TO CLEAN TANKS, TREAT WASTE, PURCHASE AND/OR
PROCESS TANK BOTTOMS, AND WASTE OIL OTHERWISE
UNMERCHANTABLE AND FOR A GENERAL ORDER TO
SUCH OPERATIONS.

ORDER OF DISMISSAL

BY THE COMMISSION:

This matter came on regularly for hearing at 10:00 o'clock
A. M., July 15, 1948, before the Oil Conservation Commission
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 15th day of July, 1948, the Commission con-
siders a motion in the form of a letter from attorneys for
the Petrolite Corporation Ltd. for dismissal of said cause,
and no objections thereto appearing,

IT IS THEREFORE ORDERED that Case No. 138, being the
application of Petrolite Corporation Ltd. for permit or authority
in the matter of tank cleaning, etc., be, and the same hereby
is dismissed without prejudice.

DONE at Santa Fe, New Mexico, on the day and year hereinbefore
designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

CHAIRMAN

MEMBER

SECRETARY

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

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

CASE NO. 138
ORDER NO. 768

IN THE MATTER OF THE APPLICATION OF PETROLITE
CORPORATION LTD., FOR A PERMIT OR AUTHORITY TO
CLEAN TANKS, TREAT WASTE, PURCHASE AND/OR PROCESS
TANK BOTTOMS, AND WASTE OIL OTHERWISE UNREMARKABLE
AND FOR A GENERAL ORDER RELATING TO SUCH OPERATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on regularly for hearing at 10:00 o'clock A.M., April
30, 1948, before the Oil Conservation Commission of New Mexico, hereinafter
referred to as the "Commission".

NOW, on this 14th day of May 1948, the Commission having duly considered
the motion of Albert F. Keel, Attorney for Petrolite Corporation, applicant
herein, for a continuance.

IT IS THEREFORE ORDERED THAT Case No. 138 on the Commission's docket be
and the same hereby is continued until the regular July, 1948 meeting of
the Commission.

DONE at Santa Fe, New Mexico on the day and year hereinafter designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

CHAIRMAN

John P. Miller

MEMBER

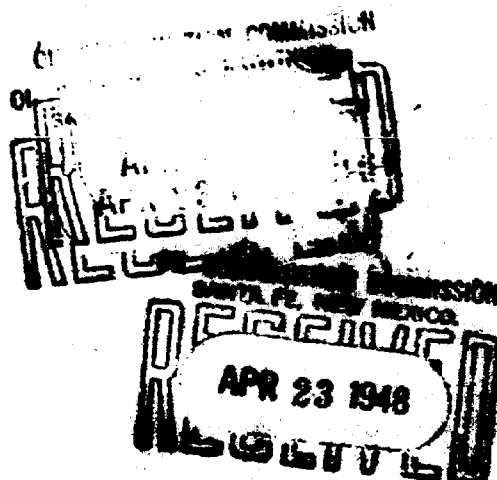
L. P. Garrison

SECRETARY

J. O. SETH
A. R. MONTGOMERY
OLIVER SETH

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELORS AT LAW
111 SAN FRANCISCO ST.
SANTA FE, NEW MEXICO

April 22, 1948



Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

We are returning herewith the copy of the
Petition of the Petrolite Corporation in Case
No. 138, which you kindly loaned to us several
days ago.

We appreciate having had an opportunity to
examine the copy.

Very truly yours,

Oliver Seth

OS:AW
Enc.1

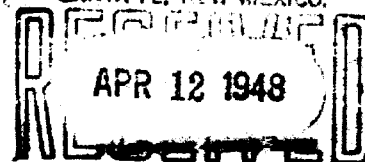
*Petroleum
Conservation*

BIGBEE AND KOOL

ATTORNEYS AT LAW
PLAZA CHRYSLER
100 WEST BROADWAY
SANTA FE, NEW MEXICO

April 9, 1948.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.



Graham

Mr. Richard R. Spurrier
Oil Conservation Commission
408 Calisteo Street
Santa Fe, New Mexico

*held for 2 others
also Rules*

Dear Mr. Spurrier:

Inclosed herewith is application of Petrolite Corporation,
Ltd., which we will appreciate your having filed with
the Oil Conservation Commission.

Very truly yours,

BIGBEE AND KOOL

Harry L. Bigbee

R. d.

*Please set this down for hearing
as soon as possible.*

HLB/h

Incl-1

cc: Walter Curran
c/o Petrolite Corp., Ltd.
Midland, Texas

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN RE: CONSERVATION AND PREVENTION)
OF WASTE OF CRUDE PETROLEUM)
AND NATURAL GAS IN THE STATE)
OF NEW MEXICO

COMES NOW Petrolite Corporation, Ltd., a corporation organized under the laws of the State of Delaware, duly authorized to do business in the State of New Mexico, and respectfully shows the Commission:

1. That the applicant is engaged in the business of tank cleaning and wax manufacturing in the State of Texas, and proposes to conduct said business on obtaining a proper permit in the State of New Mexico; that in the cleaning of tanks and burn pits there is considerable marketable oil and petroleum by-products useful in the manufacturing of wax that can be recovered from the tanks and burn pits by treating; that of the quantity of emulsion recovered from tank bottoms and burn pits that the merchantable oil salvagable ranges from five to thirty percent of the total quantity.

2. That under the existing rules and regulations of the Commission, there is no provision made for the procuring of tenders authorizing the transportation of this recoverable oil.

3. That the Oil Conservation Commission of New Mexico was created for the express purpose of preventing waste production and marketing of oil and gas in the State of New Mexico.

4. That the matter brought to the attention of the Commission by this application is a matter of general concern to all oil and gas producing areas in the State of New Mexico, and the regulation and control of the salvage oil should be covered by a General Order that would be applicable to all areas within the State of New Mexico.

5. That at the present time in the majority of the oil fields of New Mexico this salvagable oil is being destroyed by burning or dumping upon lease roads and lease properties.

6. That in order to process and save the salvagable oil from tank bottoms and waste oils within the state, it is necessary that treating plants be constructed for the reason that the small amount of emulsion recoverable from any particular tank battery or lease property is not sufficient to warrant its processing separately. The processor will be required to process in amounts of five hundred barrels or more in order to economically process the oil. This in itself will cause a co-mingling of tank bottoms and waste oil from numerous leases. The amount recoverable from any particular lease will be unascertainable.

7. The Commission should enter an Order which would regulate the tank cleaner and well servicer, the transporter of tank bottoms and waste oil as well as the processor of tank bottoms and waste oil so as to preclude the running of hot oil by alleged processors and unscrupulous producers.

WHEREFORE, applicant prays that this Commission set a date for a hearing on this application and upon a hearing thereon, enter its general order authorizing the applicant to engage in the business of tank cleaning, plants processing, tank bottoms and reclaiming of waste oil and the transportation of tank bottoms and waste oil under such regulations as the Commission deems meet and just.

Respectfully submitted,

BIGGER AND KOOL

By Harry L. Bigher
Attorneys for Petrolite
Corporation, Ltd.