

Case No.

259

Application, Transcript,
Small Exhibits, Etc.

Case 259 - Paul B. Palmer for unorthodox
location 17-29N-13W

C-173

2

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

February 1, 1951

C
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P
Y

Editor,
Farmington Daily Times,
FARMINGTON, NEW MEXICO

RE: Notices of Publication
Cases 255, 256, 258 and
259

Dear Sir:

Please publish the enclosed notices one time immediately on receipt of this request. Please proofread the notices carefully and send a copy of the paper carrying such notices to this office.

UPON COMPLETION OF THE PUBLICATION SEND PUBLISHER'S AFFIDAVIT IN DUPLICATE.

For payment, please submit the statement in duplicate, and sign and return the enclosed voucher.

PLEASE PUBLISH NOT LATER THAN FEBRUARY 7, 1951.

Very truly yours,

R. R. Spurrier
Secretary - Director

RRS:np
Encl.

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 and the Rules and Regulations of said Commission promulgated thereunder, of the following public hearing to be held February 20, 1951, beginning at 10:00 o'clock a.m. on that day in the City of Santa Fe, New Mexico, in the Council Chamber of the City Hall.

STATE OF NEW MEXICO TO:

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

Case 255

In the matter of a hearing to be held by the Oil Conservation Commission, upon its own motion, for approval of an unorthodox location to be located 895 feet from the south and west lines section 18, T.27 N, R.9 W, N.M.P.M., Kutz Canyon-Fulcher Basin pool, San Juan County, New Mexico.

Case 256

In the matter of a hearing to be held by the Oil Conservation Commission, upon its own motion, for approval of an unorthodox location to be located 990 feet from the north line and 790 feet from the west line section 15, T.27 N, R.10 W, N.M.P.M., Kutz Canyon-Fulcher Basin pool, San Juan County, New Mexico.

Case 257

In the matter of the hearing called by the Oil Conservation Commission, upon its own motion, to amend Order No. 748, Section 1, paragraphs (b) and (c).

Case 258

In the matter of the application of Byrd-Frost, Inc. for permission to communitize the short sections on a north-south basis, being located on the west side of T.29 N, R.8 W, such units to approximate the regular 320-acre units for the Mesa Verde pools underlying the above described area in San Juan County, New Mexico.

Case 259

In the matter of the application of Paul B. Palmer, Associates, for approval of an unorthodox location known as Hutton No. 1, described as 1188 feet from the south line and 1980 feet from the east line section 17, T.29 N, R.13 W, N.M.P.M., San Juan County, New Mexico.

GIVEN under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on February 1, 1951.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER, SECRETARY

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

May 1, 1951

C

Mr. Paul Palmer
Farmington, New Mexico

O

Dear Sir:

We are enclosing Order No. R-61 in Case 259.

Very truly yours,

P

bpw

Secretary and Director

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 CONSIDERING:

CASE No. 259
ORDER No. R-61

IN THE MATTER OF THE APPLICATION OF
PAUL B. PALMER, ASSOCIATES, FOR APPROVAL
OF AN UNORTHODOX LOCATION KNOWN AS
HUTTON NO. 1, 1188 FEET FROM THE SOUTH
LINE AND 1980 FEET FROM THE EAST LINE OF
SECTION 17, T. 29 N, R. 13 W, N. M. P. M., SAN
JUAN COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION

This cause came on regularly for hearing at 10:00 a. m., February 20, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereafter referred to as the "Commission."

NOW, on this 12th day of March 1951 the Commission having considered the testimony adduced at the hearing and being fully advised in the premises,

FINDS:

1. That due public notice having been given as required by law, the Commission has jurisdiction of this cause.

2. That objections of Messrs. Chivers and Carson, filed in the cause, have been withdrawn, there are no offset owners and the application for the unorthodox location should be granted in view of the topographic conditions of the area.

3. A survey discloses the exact location to be 1763 feet west of the east line and 996 feet north of the south line section 17, T. 29 N, R. 13 W, N. M. P. M., San Juan County, New Mexico.

IT IS THEREFORE ORDERED: That the application of Paul B. Palmer, Associates, be and the same hereby is approved for its Hutton No. 1 well located 996 feet from the south line and 1763 feet from the east line (SW/4SE/4) section 17, T. 29 N, R. 13 W, San Juan County, New Mexico, for Pictured Cliffs production.

DONE at Santa Fe, New Mexico, on this 12 day of March 1951.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM, Chairman

Guy Shepard
GUY SHEPARD, Member

R. R. Spurrer
R. R. SPURRER, Secretary

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

March 16, 1951

C
O
P
Y

Mr. Paul B. Palmer
Attorney at Law
Farmington, New Mexico

Re: Case No. 259

Dear Mr. Palmer:

With reference to the above mentioned case heard at the February 20 hearing, please be advised that this is being held in abeyance awaiting the arrival of registered surveyor's or engineer's plat giving the correct location (from section lines) of the Hutton No. 1.

As soon as we receive this plat to substantiate location given on the Notice of Intention to Drill, order in Case No. 259 will be signed by members of the Commission to authorize this unorthodox location.

May we have your prompt attention?

Very truly yours,

Secretary and Director

bpw

JAMES L. BROWN

PAUL B. PALMER
ATTORNEY AT LAW
POST OFFICE BOX 295
FARMINGTON, NEW MEXICO
TELEPHONE 19-W

MAR 3 1951
RECEIVED

March 7, 1951

Carl

Mr. R. R. Spurrier, Secretary
State of New Mexico
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Spurrier:

Re: Hutton No. 1

We have not heard regarding the above application since the hearing at Santa Fe, and will be pleased to learn if there is anything further you wish us to do in this matter.

Very truly yours,

Paul B. Palmer
Paul B. Palmer

PBP/ka

Has he sent plat?

JAMES L. BROWN

PAUL B. PALMER
ATTORNEY AT LAW
POST OFFICE BOX 295
FARMINGTON, NEW MEXICO
TELEPHONE 19-W

March 26, 1951

Mr. R. R. Spurrier, Secretary
New Mexico Oil Conservation Comm.
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Spurrier:

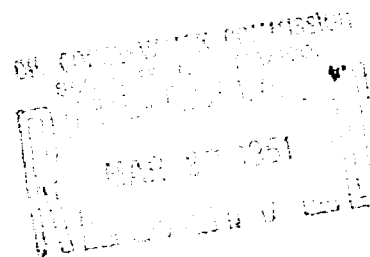
We return herewith the Certificate of Survey with corrected Plat, which now shows the distance of the well 1763 feet West of the East line of Section 17 and 996 feet North of the South line of said Section 17.

Sorry that this matter was not fully indicated on the original plat as forwarded to you, and will be pleased to receive your Commission's approval of the location at your earliest convenience.

Very truly yours,

Paul B. Palmer
Paul B. Palmer

PBP/ka
Encl.



CERTIFICATE OF SURVEY

The undersigned does hereby certify that he made survey of the Hutton Well No. 1 located upon the Southwest Quarter (SW $\frac{1}{4}$) Southwest Quarter (SW $\frac{1}{4}$) of Section 17, Township 29 North of Range 13 W N.M.P.M., on the 26 day of May, 1950, and thereupon made Certificate of Survey with Plat attached for filing in the office of the New Mexico Oil and Gas Commission.

Affiant states that the distance of said well from the Southeast corner of the Northeast Quarter of the Southeast Quarter is/ S 79°16'W 1796 feet.
-----feet-and-the-variation-is-----degree.

That this Certificate is made from the original field notes made at the time of said survey and is in effect a duplicate of the Certificate of Survey made at the time and that the Plat attached is a true and correct copy thereof.

W. W. Rowland
Subscribed and sworn to before me this 26th day of February, 1951.

J. Murray Palmer
Notary Public

My Commission expires:
My Commission Expires Oct. 4, 1953

CERTIFICATE OF SURVEY

The undersigned does hereby certify that he made survey of the Hutton Well No. 1 located upon the Southwest Quarter (SW $\frac{1}{4}$) Southwest Quarter (SW $\frac{1}{4}$) of Section 17, Township 29 North of Range ^{13 W.} N.M.P.M., on the 26 day of May, 1950, and thereupon made Certificate of Survey with Plat attached for filing in the office of the New Mexico Oil and Gas Commission.

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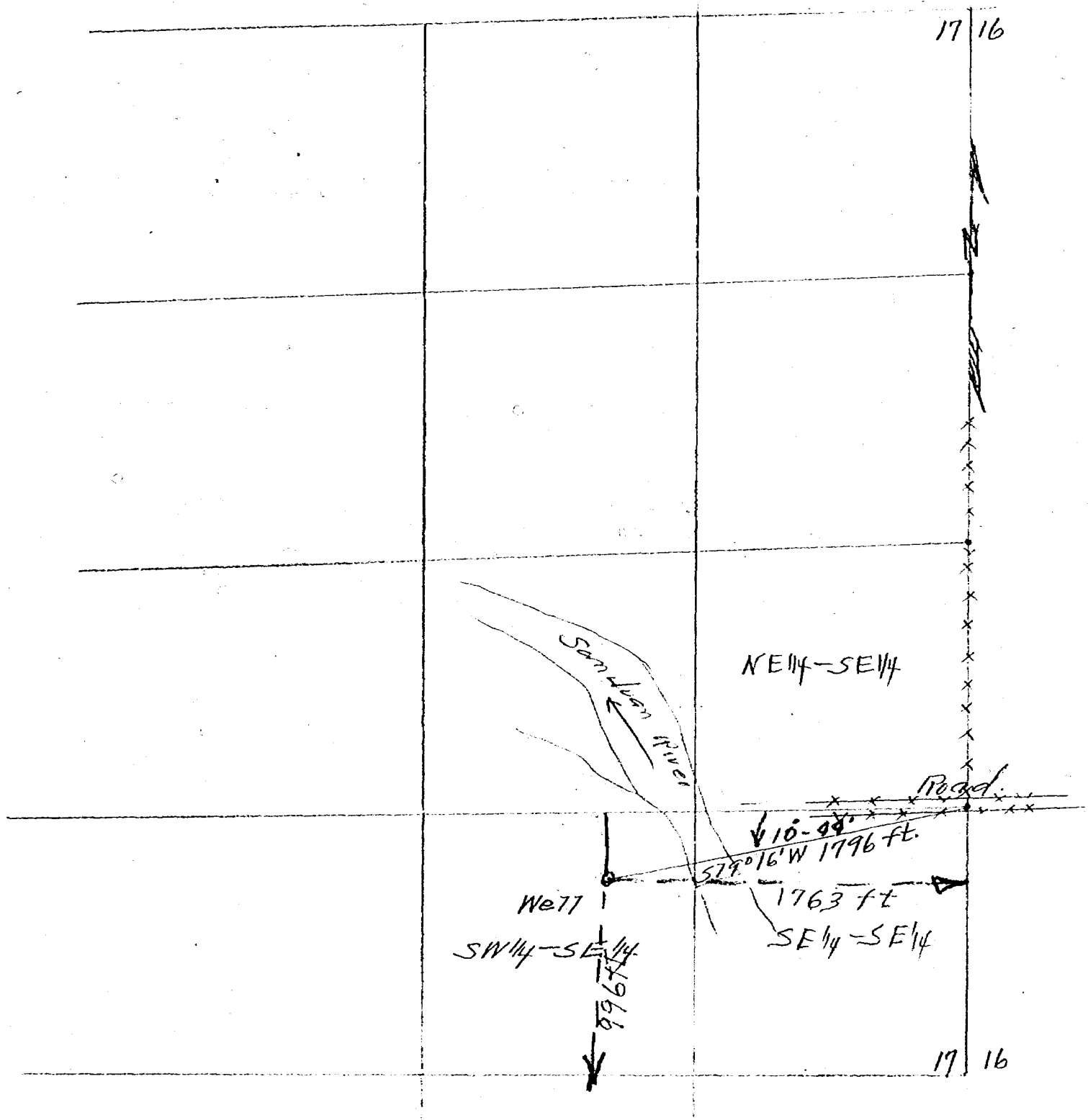
W. B. Rowland

Subscribed and sworn to before me this 26th day of February, 1951.

J. Murray Palmer
Notary Public

My Commission expires:

My Commission Expires Oct. 4, 1953



Chaves COUNTY
Four Mile Unit BASE AND MERIDIAN

RANGE 18 E

RANGE

TWP. 18 S

TWP. 19 S

| | | | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|----|----|
| 6 | 5 | 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 | 1 |
| 7 | 8 | 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | 32 | 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 | 36 |
| 6 | 5 | 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 | 2 | 1 |
| 7 | 8 | 9 | 10 | 11 | 12 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | 32 | 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 | 35 | 36 |

January 12, 1951

Mr. Paul B. Palmer
Attorney at law
Farmington, New Mexico

RE: Hutton No. 1

Dear Sir:

This is in reply to your letter of January 5.

On page 30 of the Commission's Rules and Regulations, effective January 1, 1950, the method of initiating a hearing is very clearly outlined. It is incumbent upon you to make application for a hearing.

Very truly yours,

Secretary and Director

RRS:bpw

cc - Al Greer

JAMES L. BROWN

PAUL B. PALMER

ATTORNEY AT LAW

FARMINGTON, NEW MEXICO

Jany. 5th 1950

New Mexico Oil and Gas Commission
Santa Fe N M

Dear Mr. Spurrier : Re Hutton No 1

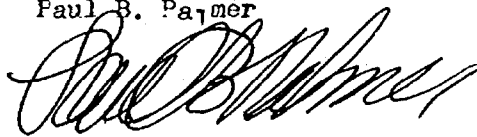
Some months ago we got permission from your office to drill the above well, despite the fact the location was unorthodox and later, because of some erroneous information it was decided or suggested that a hearing be held.

We understood that your commission would proceed with a hearing and if you believe the original permit is not sufficient and hearing necessary we request the same.

If there are blanks or applications for us to make out for hearing please forward same as we have neither abandoned the project nor decided to give it up.

Very truly yours.

Paul B. Palmer



HOY AND BURNHAM
ATTORNEYS AT LAW
FARMINGTON, NEW MEXICO

February 19, 1951

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

Re: Hutton #1, Sec. 19, Twp. 29 N., R. 13 W.
N.M.P.M.

Gentlemen:

On date of August 23, 1950 the undersigned wrote a letter to Mr. Al Greer, Oil and Gas Inspector, Aztec, New Mexico, on behalf of Mr. E. J. Chivers and Mr. Sam H. Carson, both of Farmington, New Mexico, relative to the above well.

Also, on date of August 14, 1950, Messrs. Carson and Chivers wrote a letter to Mr. Greer relative to the above mentioned well, requesting certain information relating thereto.

Since the foregoing letters were written, the differences between Messrs. Chivers and Carson and the parties for whom they were drilling the above well all have been amicably disposed of. For that reason any objection or objections heretofore filed by the undersigned on behalf of Carson and Chivers hereby are withdrawn and request hereby is made that the Commission disregard any such objections.

It is my understanding that the parties in interest in the well, principally, C. C. Mumma, P. M. Smoak, I. J. Coury, J. D. Hubbard, Sam H. Carson, Paul B. Palmer, W. H. Peacock and Joe W. Bostick are ready and able to proceed with completion of the well upon granting of permission by the Commission so to do.

Very truly yours,

G. W. R. Hoy
G. W. R. HOY

GWRH:rh

EX #1
CASE 259

February 1, 1951

Mr. Paul B. Palmer
Farmington, New Mexico

Dear Sir:

This is in reply to your letter of January 28th with enclosed application of hearing. You say that you enclose amended application and that you have tried to comply with our rules and regulations. Our rules and regulations state that application for hearing shall be submitted in triplicate. Since there is only one copy of your application, we shall assume the responsibility of making two more.

You state that you are convinced that no hearing should be required.

You will note upon the enclosed C-101 that it was approved June 3, 1950, except as follows: "Subject to action of The Director of the Commission who may find it necessary to give notice and hearing for an unorthodox location." We find no surveyor's plat in your file, and it will be necessary that you do submit a surveyor's plat by the time of your hearing, which we will set for February 20, 1951.

You are further advised that any more controversy over this well and your refusal to comply with the Commission's requests, will only result in more stringent measures than have already been taken.

Very truly yours,

Secretary and Director

cc: Al Greer

JAMES L. BROWN

PAUL B. PALMER
ATTORNEY AT LAW
FARMINGTON, NEW MEXICO

January 28th 1951

New Mexico Oil and Gas Commission
Santa Fe, New Mexico
Mr Spurrier

Dear Mr Spurrier: Re. Hutton No 1

I enclose amended application in the above matter. We have a copy of your rules and regulations and have tried to comply with them. Your former letter set out the citation required and we believe that we complied with it fully.

We are convinced that no hearing should be required but are perfectly willing to proceed with what you desire.

In your letter you request us to furnish a registered surveyor's plat.

If you will examine your files you will find such was given to you last May and was handed to you personally by me and has been in your files ever since.

You state that the commission is unable to ^{make} approval of location in our case without a hearing. I do not so interpret your rule 104, page 9, as there is a distinct exception or two therein.

However the fact remains that we did make application for drilling this well and showed the plat and it was approved and was not approved "subject to hearing".

Your records will show that after the approval some misinformation was given to your office as to the location of the well, but I believe we and you are entitled to rely on the surveyor's report.

For your further information (and as set out in records you already have) We are wanting to produce the pictured cliff sands at about 1050; there are no adjoining lessees.

Mr Spurrier I am sure that if you will get out our file and go into it fully you will agree that no hearing is required in this case and that we have full right to complete and produce the well, but I want you to know that we have no objection to complying with all requirements and if you still insist we will go through a hearing. The only reason the well is unorthodox is that it is close to the line of the 40 north of it but we also have that land under our lease, so we feel there is no possible reason that any one can make any valid objection to the proposition.

I will be glad to come to Santa Fe to discuss the matter with you if you wish.

Very truly yours

Paul B. Palmer



January 24, 1951

Mr. Paul B. Palmer
P. O. Box 295
Farmington, New Mexico

Dear Mr. Palmer:

This is in reply to your letter of January 20, with enclosed application for hearing.

In the first place, I suggest that you get a copy of the Rules and Regulations of this Commission and read the instructions on how to prepare an application for hearing. You do not say to what formation the well will be completed or is completed, or from what formation you intend to produce. You do not give an exact location of the well and you are hereby requested to furnish the Commission with a registered surveyor's plat, showing the exact location of the well.

You say in your application that permission to drill was given by the Commission. Our files show a 0-101 approved by our Mr. Greer, but conditioned upon a request by the Commission for a hearing to authorize the unorthodox location. You do not state in your application that you are seeking authorization for an unorthodox location.

The Commission expects your immediate attention to this matter, so that this case may be heard at the next regular hearing, on February 20, 1951.

Careful scrutiny of the Commission's Rules and Regulations, Rule 104, Page 9, will inform you that neither Mr. Greer nor myself have the authority to approve a location such as yours without a hearing.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw

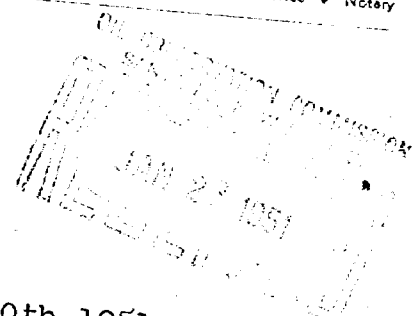
Telephone 19-W

P. O. Box 295

Law Office • Notary

JAMES L. BROWN

PAUL B. PALMER
ATTORNEY AT LAW
FARMINGTON, NEW MEXICO



Jan. 20th 1951

The New Mexico Oil and Gas Commission
Santa Fe N M

Mr Spurrier

Dear Mr Spurrier : Re Hutton No 1

We enclose herewith application which is self explanatory.

If there is any further information you desire in this matter
please advise at your convenience.

Very truly yours.

Paul B. Palmer

A handwritten signature in cursive script, appearing to read "Paul B. Palmer".

APPLICATION TO COMPLETE WELL

TO

The New Mexico Oil and Gas Commission

Santa Fe N M

In accordanced with your rule 1203 application is hereby
made for permission to complete

Paul B. Palmer, associates Hutton Well No 1

in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 17, Twp. 29 North of Range 13 West, and
that hearing be had on said application for such permission.


In support thereof applicant states:

That the land involved was leased by applicant; that permission
to drill was given by the Commission with full knowledge of its
location; bond given;

Further that considerable funds were expended in exploration
and that to refuse permission to complete and produce would
be unequitable.

Dated at Farmington, New Mexico this 20th day of January
A.D. 1951.

Paul B. Palmer, Associates, by



Paul B. Palmer

APPLICATION TO PRODUCE AND COMPLETE WELL

TO: THE NEW MEXICO OIL AND GAS COMMISSION, SANTA FE, N M

Application is hereby made for permission to complete and produce

Paul B. Palmer, Associates, Hutton No 1
in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 17, Twp. 29, R 13 West N M P M
and in support thereof affiant states:

That the land involved is leased by applicant:

That said well is unorthodox in that it is located close to the north boundary line (as shown by registered surveyor's plat on file with your commission) and that the adjoining 40 to the north is also leased by applicant.

That said well is drilled now to a depth of about 1000 feet;

That applicant wishes to drill to the Pictured Cliffs sandstone estimated at 1050 feet;

That applicant has filed bond as required;

That applicant will plug well if no commercial production is encountered in said formation;

That to the best of affiants knowledge and belief there are no adjoining lessees, search having been made by affiant of such recorded instruments;

That registered surveyor's plat, as required, has been filed with your commission, showing actual location of well;

Applicant believes that no hearing on such applications required, but if such is required, that it be held and application for such is made.



Subscribed and sworn to before me this 28th day of January 1951

Commission expires Oct. 4, 1953


Notary Public.