

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF
SHELL OIL COMPANY, INC., FOR TEMPORARY
INCREASE IN ALLOWABLE, MONUMENT FIELD.

CASE NO. 33
ORDER NO. 456

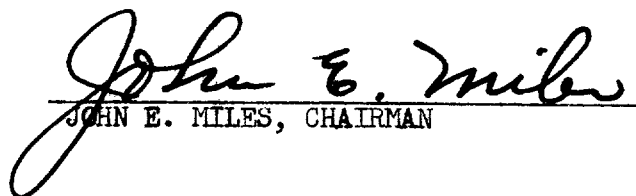
ORDER AUTHORIZING WITHDRAWAL OF PETITION

The motion of the petitioner, Shell Oil Company, Inc., for withdrawal of petition in the matter herein came before the New Mexico Oil Conservation Commission, hereinafter designated the Commission, for its consideration. The Commission having considered the grounds of said motion;

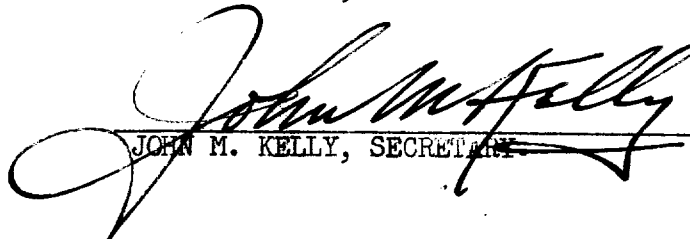
IT IS THEREFORE ORDERED by the Commission that the Shell Oil Company, Inc., be and is hereby authorized to withdraw its petition in the matter herein without prejudice, and the hearing set by this Commission for July 28, at 2 P.M., Santa Fe, New Mexico, in said matter is hereby cancelled.

Done at Santa Fe, New Mexico, this 21st day of July, 1942.

NEW MEXICO OIL CONSERVATION COMMISSION


JOHN E. MILES, CHAIRMAN

H. R. RODGERS, MEMBER


JOHN M. KELLY, SECRETARY

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

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH

July 17, 1942

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Referring to my telephone conversation with Mr. Livingston of today concerning the petition of Shell Oil Company set for hearing on July 28th next.

I enclose herewith a written withdrawal of the petition and request that the matter be not heard on July 28th.

Very truly yours



JOS:JM

Enclosure

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF SHELL OIL COMPANY, INC., FOR
TEMPORARY INCREASE IN ALLOWABLE,
MONUMENT FIELD.

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WITHDRAWAL OF PETITION

Comes now Shell Oil Company, Inc. and states that on the 30th day of June, 1942, it filed its petition for a temporary increase of allowable in the Monument field; that matters have arisen which renders it inadvisable in the opinion of this petitioner to press said application at this time.

WHEREFORE, petitioner withdraws its application designated in the caption hereof and requests that the hearing now set for July 28th next be not held.

SETH AND MONTGOMERY

BY



Attorneys for Petitioner

CLASS OF SERVICE

This is a full rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

SYMBOLS

DL=Day Letter
NT=Overnight Telegram
LC=Deferred Cable
NLT=Cable Night Letter
Ship Radiogram

A. N. WILLIAMS
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

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

DAW42 16=SANTAFE NMEX 18 1124A

HON JOHN M KELLY=

D/2 JUL 18 PM 12 13

OIL CONSERVATION COMMISSION

J E LOWE AMARADA WIRES " HAVE NO OBJECTION TO INCREASED ALLOWABLE MONUMENT FIELD. WILL BE PRESENT AT HEARING"

==CARL B LIVINGSTON OIL CONSERVATION COMMISSION

No. _____ Telephone to *advise*
Time Telephoned *10:15 P*
Attempts *1*

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



SHELL OIL COMPANY
INCORPORATED

SHELL BUILDING
HOUSTON, TEXAS

July 6, 1942

RE: MONUMENT FIELD
LEA COUNTY, NEW MEXICO

Mr. John M. Kelly
Oil Conservation Commission
Hobbs, New Mexico

Dear Mr. Kelly:

In connection with our pending application, Case No. 33, for temporary increase in the allowable, Monument Field, I enclose as promised a list of the 32 wells in the Monument Field from which we are now segregating the production by trucking the same to Hobbs thence by tank car to Hendrick.

It may be possible that this list will be augmented before the hearing on the 28th by the including of additional wells from which samples of the production are now being analyzed in our laboratory. If this happens, we will promptly furnish you with designation of the new wells included in this special category.

I am leaving on my vacation for the next two weeks, but any matters that you may wish to inquire about concerning our pending hearing may be handled by Mr. Smith at Midland.

Kindest personal regards.

Yours very truly,

SHELL OIL COMPANY, Incorporated

By 

O. D. Crites/mpe

Encl.

cc: Oil Conservation Commission
Santa Fe, New Mexico
cc: Judge J. O. Seth
Santa Fe, New Mexico

S U M M A R Y

SHELL CONNECTIONS - MONUMENT FIELD

Being Trucked

July, 1942

<u>COMPANY</u>	<u>LEASES</u>	<u>LOCATION</u>	<u>WELL NOS.</u>
Amerada	Anderson	E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 8, 20S-37E	1 & 2
Amerada	State "X"	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 16, 20S-37E	1
Amerada	State "Y"	N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 17, 20S-37E	1 & 2
Anderson-Prichard	Britt "A"	E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 7, 20S-37E	1, 2, 3, 4, 5, 6, 7, & 8
Anderson-Prichard	Britt "B"	E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 6, 20S-37E	1 & 2
Anderson-Prichard	Britt "B"	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5, 20S-37E	1
Cities Service	Laughlin	S $\frac{1}{2}$ SE $\frac{1}{4}$ & NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5, 20S-37E	1, 2, & 3
Cities Service	Laughlin	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 8, 20S-37E	4
Continental	Britt "B"	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8, 20S-37E	1
Continental	State "C"	SW $\frac{1}{4}$ of NW $\frac{1}{4}$ Sec. 16, 20S-37E	2
General Crude	State "G"	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ Sec. 16, 20S-37E	1
Humble	State "F"	SW $\frac{1}{4}$ Sec. 17, 20S-37E	1, 2, 3, & 4
Oil Well Drlg.Co.	Wood-State "A"	E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 16, 20S-37E	1 & 2
Shell	Cooper "A"	W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ & NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 4, 20S-37E	1
Tide Water	Anderson	N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 8, 20S-37E	1 & 2
TOTAL			32

Charge to the account of

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
OVERNIGHT TELEGRAM	NIGHT LETTER
SPECIAL SERVICE	SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

WESTERN UNION

1206-B

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

CHECK
ACCOUNTING INFORMATION
TIME FILED

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

SANTA FE, NEW MEXICO JULY 22, 1942

MR. J. E. LOWE
AMERADA PETROLEUM COMPANY
MIDLAND, TEXAS

SHELLS PETITION MONUMENT FIELD WITHDRAWN AND HEARING THEREUPON CANCELLED.

CARL B. LIVINGSTON
CHIEF CLERK & LEGAL ADVISOR

SEND: STRAIGHT TELEGRAM
CHG: OIL CONSERVATION COMMISSION

CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

P. O. Box 871

July 22, 1942

Mr. Don Crites
Shell Oil Company, Inc.
Houston, Texas

Dear Mr. Crites:

For your information I am enclosing copy of
Order No. 456, authorizing withdrawal of petition of
Shell Oil Company, Inc., for temporary increase in
allowable, Monument Field.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CBL:MS

C
O
P
Y

July 10, 1942

C
O
P
Y

Mr. George W. Selinger,
Skelly Oil Company
Tulsa, Oklahoma

Re: Case 33--Application of Shell Oil
Company, Inc., for a temporary
increase in allowable, Mon-
ument Field.

Dear Mr. Selinger:

Reference is made to your letter of July 7 to Mr. Kelly, who is at this time attending an important oil meeting in Washington, in which letter you inquire whether the applicant is asking for back allowable or an increase in allowable for the particular field. Back allowable is not sought for there is little back allowable in the Monument Field but a temporary 15-barrel per well increase for the field. The petitioner is seeking to release 24 tank cars sorely needed in East-coast oil transportation by availing itself of certain pipeline facilities. That, however, necessitates an accumulation of oil in a 50,000-barrel tank. The petitioner concludes:

"WHEREFORE, this applicant prays that for the reasons aforesaid, the allowable for the Monument Pool be increased 15 barrels per day per well temporarily, for the purposes aforesaid, or that it be permitted to purchase increased amounts, temporarily from wells in such pool."

The writer trusts that the foregoing clarifies the matters of your inquiry.

Very truly yours,

Carl B. Livingston
Chief Clerk and Legal Advisor



SKELLY OIL COMPANY

TULSA, OKLAHOMA

July 7, 1942

PRODUCTION DEPARTMENT
H. M. STALCUP, VICE PRESIDENT
J. S. FREEMAN, ASSISTANT

Mr. John Kelly, Secretary
Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Dear Sir:

Re: Case No. 33, Application of
Shell Oil Company, Monument Field.

We are in receipt of notice advising of a hearing to be held at 2:00 p.m., July 28, 1942, in Santa Fe, New Mexico, on the application of Shell Oil Company for a temporary increase in allowable, Monument Field.

We are writing you to ascertain for our own information what is requested, i.e., whether increase is in the form of back allowable or to give wells in this field a greater allowable than wells in other fields.

Any information you can give us on the subject will be appreciated.

Very truly yours,


George W. Selinger

GWS/ms
cc: Mr. Dunlavey

Charge to the account of

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	<input checked="" type="checkbox"/> ORDINARY
DAY LETTER	<input type="checkbox"/> URGENT RATE
SERIAL	<input type="checkbox"/> DEFERRED
OVERNIGHT TELEGRAM	<input type="checkbox"/> NIGHT LETTER
SPECIAL SERVICE	<input type="checkbox"/> SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

WESTERN UNION

1206-B

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

CHECK
ACCOUNTING INFORMATION
TIME FILED

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

July 18, 1942

Honorable John M. Kelly
Oil Conservation Commission
Hobbs, New Mexico

J E LOWE AMARADO WIRES "HAVE NO OBJECTION TO INCREASED ALLOWABLE MONUMENT FIELD. WILL BE PRESENT AT HEARING"

CARL B LIVINGSTON
OIL CONSERVATION COMMISSION

Charge to New Mexico Oil Conservation Commission

This is a run-time Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

(58)

UNION

A. N. WILLIAMS
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

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LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

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VL33 13= MIDLAND TEX 18 1016A

1942 JUL 18 AM 10 11

CARL B LIVINGSTON=

OIL CONSERVATION COMM SF=

HAVE NO OBJECTION TO INCREASED ALLOWABLE MONUMENT FIELD.
WILL BE PRESENT AT HEARING=

J E LOW AMERADA PET CORP.

Charge to the account of _____ \$

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
OVERNIGHT TELEGRAM	NIGHT LETTER
SPECIAL SERVICE	SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

WESTERN UNION

1217-B

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

CHECK
ACCOUNTING INFORMATION
TIME FILED

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

July 17, 1942

J. E. LOWE
AMERADA PETROLEUM CO
MIDLAND TEXAS

COMMISSION WILL APPRECIATE A REPLY TO MY LETTER JULY FIRST

CARL B LIVINGSTON
OIL CONSERVATION COMMISSION

Charge to New Mexico Oil Conservation Commission

ILLEGIBLE

Replace copy of
letter to J.E. Lowe,
Amerasia Pet Co
Midland - dated
7-1-42 - ^{case}~~file~~
^{file} copy was ~~de~~ sent to
J.A. Seth.

SHELL

COPY

July 6, 1942

RE: MONUMENT FIELD
LEA COUNTY, NEW MEXICO

Mr. John M. Kelly
Oil Conservation Commission
Hobbs, New Mexico

Dear Mr. Kelly:

In connection with our pending application, Case No. 33, for temporary increase in the allowable, Monument Field, I enclose as promised a list of the 32 wells in the Monument Field from which we are now segregating the production by trucking the same to Hobbs thence by tank car to Hendrick.

It may be possible that this list will be augmented before the hearing on the 25th by the including of additional wells from which samples of the production are now being analyzed in our laboratory. If this happens, we will promptly furnish you with designation of the newwells included in this special category.

I am leaving on my vacation for the next two weeks, but any matters that you may wish to inquire about concerning our pending hearing may be handled by Mr. Smith at Midland.

Kindest personal regards.

Yours very truly,

SHELL OIL COMPANY, Incorporated

By

Original Signed by
O. D. Crites

O. D. Crites/mpe

Encl.

cc: Oil Conservation Commission
Santa Fe, New Mexico
cc: Judge J. O. Seth
Santa Fe, New Mexico
bcc: Mr. H. J. Kemler-Midland

S U M M A R Y

SHELL CONNECTIONS - MONUMENT FIELD

Being Trucked

July, 1942

<u>COMPANY</u>	<u>LEASES</u>	<u>LOCATION</u>	<u>WELL NOS.</u>
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Amerada	State "Y"	N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 17, 208-37E	1 & 2
Anderson-Prichard	Britt "A"	E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 7, 208-37E	1, 2, 3, 4, 5, 6, 7, & 8
Anderson-Prichard	Britt "B"	E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 6, 208-37E	1 & 2
Anderson-Prichard	Britt "B"	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5, 208-37E	1
Cities Service	Laughlin	SE $\frac{1}{4}$ SE $\frac{1}{4}$ & NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5, 208-37E	1, 2, & 3
Cities Service	Laughlin	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8, 208-37E	4
Continental	Britt "B"	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8, 208-37E	1
Continental	State "O"	SW $\frac{1}{4}$ of NW $\frac{1}{4}$ Sec. 16, 208-37E	2
General Crude	State "G"	NW $\frac{1}{4}$ of NW $\frac{1}{4}$ Sec. 16, 208-37E	1
Humble	State "P"	SW $\frac{1}{4}$ Sec. 17, 208-37E	1, 2, 3, & 4
Oil Well Drlg.Co.	Wood-State "A"	E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 16, 208-37E	1 & 2
Shell	Cooper "A"	W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ & NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 4, 208-37E	1
Tide Water	Anderson	N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 8, 208-37E	1 & 2
TOTAL			32

U. S. NATIONAL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

P. O. Box 871

July 1, 1942

C
O
P
Y

Honorable Glenn Staley
Proration Office
Hobbs, New Mexico

Re: Case No. 33

Dear Mr. Staley:

Enclosed please find copy of advertisement
of the above captioned hearing to be held July 28th.

The Commission will be grateful to you if you
include this information among your informative matters
you mimeograph and send out to the operators.

With kindest regards.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CHL:MS

CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

P. O. Box 871

June 30, 1942

The Santa Fe New Mexican
Santa Fe, New Mexico

Hobbs Daily News Sun
Hobbs, New Mexico

Re: Case No. 33 - Notice for Publication

Gentlemen:

Please publish the enclosed notice once, immediately.
Please proof read the notice carefully and send a copy of
the paper carrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND
PUBLISHER'S AFFIDAVIT.

For payment please submit statement in duplicate
accompanied by voucher executed in duplicate. The
vouchers must be signed by a notary in the space provided
on the back of the voucher. The necessary voucher blanks
are enclosed.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CEL:RS

OIL CONSERVATION COMMISSK
SANTA FE, NEW MEXICO

C
O
P
Y

Mr. J. D. Crites
Manager, Crude Oil Department
Shell Oil Company
Shell Building
Houston, Texas

Dear Mr. Crites:

Your letter of June 17 with reference to your request concerning the calling of a special hearing relative to the granting of an increase in allowable for the Monument Field will be called to the attention of Mr. John M. Kelly, Executive member of the Commission, immediately upon his return from Washington.

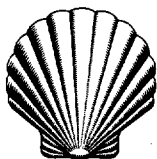
The Commission will hold its regular monthly executive meeting on the 30th of this month.

With kindest personal regards.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Advisor

CHL:MS



SHELL OIL COMPANY

INCORPORATED

SHELL BUILDING
HOUSTON, TEXAS

June 17, 1942

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

For the past few months we have been trucking production from certain wells in the Monument field, Lea County, New Mexico, from the lease tank batteries to Hobbs, where it is moved by tank car to Shell Pipe Line Corporation's Wink station, Winkler County, Texas, at which point the crude is accumulated in batches along with some crude of Texas origin of the same quality for movement in segregated batches to our Wood River, Illinois, refinery. This segregated Monument field production, along with the Texas oil with which it is mixed, is being used during the emergency for the manufacture of certain vital war materials.

Gulf Pipe Line Corporation is now erecting tankage at its Monument, Lea County, New Mexico, station which will permit it to batch separately our Monument field production into Wink, and arrangements have been completed with Gulf so to handle our crude. However before it is possible to move our Monument crude separately through Gulf's line we must accumulate at its Monument station batches of approximately 50,000 barrels each. We are now erecting a 55,000-barrel tank adjacent to Gulf's Monument station in order to accumulate such batches for our account.

There are twenty-four tank cars used in the service of moving this Monument crude from Hobbs to Wink, which tank cars, as you know, are badly needed by the industry for the shipment of petroleum products to the East Coast area. It is primarily for this reason that we wish to substitute this pipe line movement for the present tank car movement; but before the pipe line movement via Gulf's line can begin and these cars be released, it is necessary to accumulate a 55,000-barrel tank full of our Monument crude at Gulf's Monument station.

The Texas fields from which this grade production comes are marginal fields exempt from shutdown days and are now producing all of such grade crude as they are physically capable,

and Monument is the only field from which we can augment this supply. As our combined production from the Texas fields along with the present allowable production now being obtained from the Monument wells now barely equals our current day-to-day demand for this type crude, it is impossible, in the absence of additional Monument production, to accumulate in the 55,000 barrel tank that we are erecting at Monument a quantity sufficient for the beginning of the batching operations through Gulf's line. Therefore we ask your Commission's considering the calling of a special hearing at as early a date as may suit your convenience relative to the granting of an increase in allowable for the Monument, Lea County, field, such increased allowable to be within the limits of a production rate that would not cause physical waste but sufficient for us to fill the 55,000-barrel tank as well as meet our current demand as quickly as possible. At such hearing we expect to be in position to present sufficient evidence to warrant your granting such increase.

For your information in considering this application for a hearing we might mention that at the present time we are purchasing 53.61% of the current allowable production of the Monument field. Gulf is purchasing 34.62% of the field's allowable, and we have Gulf's assurance that in the event such an increased allowable for the field is granted by you such action will meet with its approval. The balance of the field's allowable; that is, 11.77%, is split between six other purchasing companies so that whatever action may be taken can hardly adversely affect the purchasers of such a small portion of the field's output.

Yours very truly,
SHELL OIL COMPANY, Incorporated

By


Manager, Crude Oil Department

O. D. Crites/es
cc-Mr. John M. Kelly, Hobbs
cc-Mr. Glenn Staley, Hobbs