

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

Application of The Atlantic Refining)
Company for Approval of Unorthodox)
Drilling Location in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of)
Section 2, Township 15 South, Range)
37 East, Lea County, New Mexico)

Case No. 414

To: New Mexico Oil Conservation Commission
Santa Fe
New Mexico

Comes the undersigned, The Atlantic Refining Company, a corporation with offices at Dallas, Texas, and hereby makes application for the approval of an unorthodox well location in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 15 South, Range 37 East, Lea County, New Mexico, for the drilling of The Atlantic Refining Company State "T" Well No. 6 in the Denton Field, Lea County, New Mexico, and in support thereof respectfully shows:

1. The Atlantic Refining Company is the owner and holder of an Oil and Gas Lease issued by the Commissioner of Public Lands of the State of New Mexico embracing the following described land situated in Lea County, New Mexico, to-wit:

The SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SW $\frac{1}{4}$ of
Sec. 2, Twp. 15 S., Rge. 37 E.,
N.M.P.M.

That applicant commenced operations upon said lease for the drilling of a test well for oil and gas on September 4, 1952, at a location 2,310 feet from the North line and 2,310 feet from the West line of said Section 2. The location for said well was made by applicant, and application for approval of said location was made to the Hobbs Office of the New Mexico Oil Conservation Commission prior to the commencement of drilling operations; however, the applicant in making the location did not take into consideration that Section 2 is an irregular Section in that Lots 1, 2, 3, and 4 along the North boundary thereof each contain less than 40 acres, which made the location slightly less than

330 feet from the South line of the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 2, to-wit, 316.51 feet, and for that reason said well location was not strictly an orthodox location as prescribed by the rules of the New Mexico Oil Conservation Commission in that the error in locating said well made the same 13.49 feet farther south than a regular or orthodox location.

2. That the Skelly Oil Company is the owner and holder of the Oil and Gas Lease covering the W $\frac{1}{2}$ NW $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$ and the W $\frac{1}{2}$ NE $\frac{1}{4}$ of said Section 2; that the Gulf Oil Corporation is the owner and holder of an Oil and Gas Lease covering the SE $\frac{1}{4}$ of said Section 2, and the Shell Oil Company is the owner and holder of an Oil and Gas Lease covering the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 2. That The Atlantic Refining Company is the owner and holder of the Oil and Gas Lease covering the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 2 which lies immediately to the south of said well location and, consequently, said well is located 330 feet or more from the boundaries of all lease lines surrounding the subdivision upon which said well is located.

3. That there is attached hereto, made a part hereof, and for purposes of identification marked Exhibit "A", a plat of Section 2, Township 15 South, Range 37 East, N.M.P.M., showing the producing wells located thereon; the location of The Atlantic State "T" Well No. 6, and the ownership of the respective oil and gas leases embracing lands in said Section 2.

4. That the error in locating said well was not discovered until after all preparations for the drilling of said well had been made and drilling operations had progressed to a considerable depth, and that said well was drilling at a depth of 4,400 feet on September 15, 1952, and applicant expects to carry said well to a depth of 9,500 feet to the Wolfcamp Formation. That said

well location has been approved by a representative of the New Mexico Oil Conservation Commission conditional upon approval thereof as an unorthodox location after due hearing thereon as prescribed by regulations of the Commission.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

By 

HERVEY, DOW & HINKLE

By 

Roswell, New Mexico
Attorneys for Applicant.

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

1 Mr. Leo Schling
(Signature or name of addressee)

2 Thomas C. Schling
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery 9/27/52, 19

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(Signature or name of addressee)

2 A. E. Schling
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

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(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

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Form 3806-S (Rev. 3-49)

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Accepting employee will place his initials in space indicating restricted delivery.

NOTICE TO SENDER—Enter below name and address of addressee as an identification. Preserve and submit this receipt in case of inquiry or application for indemnity.

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Receipt for Registered Article No. **12815**

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Declared value **10** Surcharge paid, \$ **0.00**

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Delivery restricted to addressee: **Yes**

in person **Yes**, or order **Yes** fee paid **0**

Accepting employee will place his initials in space indicating restricted delivery.

NOTICE TO SENDER—Enter below name and address of addressee as an identification. Preserve and submit this receipt in case of inquiry or application for indemnity.

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(P. O. and State of address)

Form 3806-S (Rev. 3-49)

Receipt for Registered Article No. **12816**

Postmaster per **[Signature]**

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Declared value **10** Surcharge paid, \$ **0.00**

Return Receipt fee **0** Spl. Del'y fee **0**

Delivery restricted to addressee: **Yes**

in person **Yes**, or order **Yes** fee paid **0**

Accepting employee will place his initials in space indicating restricted delivery.

NOTICE TO SENDER—Enter below name and address of addressee as an identification. Preserve and submit this receipt in case of inquiry or application for indemnity.

(Name of addressee)

(P. O. and State of address)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 26, 1952

C
O
P
Y

Mr. George Selinger
Skelly Oil Company
Tulsa, Oklahoma

Dear Mr. Selinger:

RE: OCC Case 414

We enclose a copy of legal notice issued this week in connection with Case 414 which is scheduled to be heard before the Oil Conservation Commission at its regular hearing on October 15, 1952.

As adjoining lessee, your company is herewith being notified in conformance with provisions of Rule 104 of the Commission's Rules and Regulations.

Very truly yours,

W. B. Macey
Chief Engineer

VIA REGISTERED MAIL

Case #14

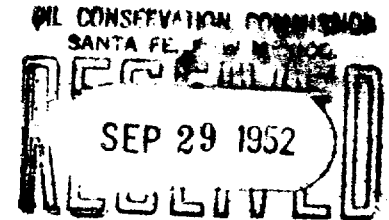
LAW OFFICES
HERVEY, DOW & HINKLE
ROSWELL, NEW MEXICO

J. M. HERVEY
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.

ROSS MADOLE
WILLIAM C. SCHAUER

September 27, 1952

Mr. R. R. Spurrier
Executive Secretary
New Mexico Oil Conservation Commission
Capitol Building
Santa Fe, New Mexico



Dear Dick:

We enclose in triplicate Application of the Atlantic Refining Company for approval of Unorthodox Location in the Denton Field, Lea County, New Mexico. This is the application which I discussed with you over the telephone for which you stated you would go ahead and get out the necessary notices so that the matter might be heard at the regular hearing on October 15. I have not yet received a copy of the notice, but assume that it has been published and would appreciate your sending me a copy of the same.

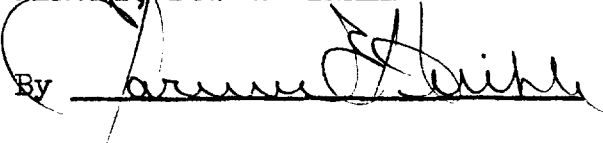
You will note from the plat attached to the Application, as Exhibit "A", that the Atlantic Refining Company is the owner of the lease covering the 40 acre legal subdivision immediately to the south of the location and which is contiguous to the line from which the location was slightly less than 330 feet. You will also note that the leases surrounding the 40 acre legal subdivision upon which the well is being drilled are owned by the Skelly Oil Company, Gulf Oil Corporation and the Shell Oil Company. Since preparing the Application we have been furnished with waivers from these companies waiving their right of protest, which we also enclose to be filed in the case.

It may be that on account of these waivers you will not want to send separate notices to these companies. However, we have no objection to your mailing notices to them.

If there is any change regarding the hearing on October 15, I would appreciate your advising us promptly.

Yours sincerely,

HERVEY, DOW & HINKLE

By 

CEH:JH
Enclosure

Case 414

Cx 2.
Atlantic

September 15, 1952

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier

Dear Mr. Spurrier:

It is our understanding that it is the intention of The Atlantic Refining Company to file an application for a special permit to drill Well No. 6 on its State "T" lease located in the Denton Wolfcamp Field, Lea County, New Mexico at the following described location:

2310' from the North line and 2310' from the West line of Section 2, Township 15 South, Range 37 East.

This is to advise that the Shell Oil Company has no objection to the location as proposed and hereby waives right to protest.

Yours very truly,

SHELL OIL COMPANY

By: C. K. Bickel

Case 414

Ex. 1. Case 414
J. H. H.

September 10, 1952

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier

Dear Mr. Spurrier:

It is our understanding that it is the intention of The Atlantic Refining Company to file an application for a special permit to drill Well No. 6 on its State "T" Lease located in the Denton Wolfcamp Field, Lea County, New Mexico at the following described location:

2310' from the North line and 2310' from the West line of Section 2, Township 15 South, Range 37 East.

This is to advise that the Skelly Oil Company has no objection to the location as proposed and hereby waives right of protest.

Yours very truly,

SKELLY OIL COMPANY

By: George W. Selinger

Case 414

Ex. 3

~~September 15, 1952~~

September 18, 1952

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier

Dear Mr. Spurrier:

It is our understanding that it is the intention of The Atlantic Refining Company to file an application for a special permit to drill Well No. 6 on its State "T" Lease located in the Denton Wolfcamp Field, Lea County, New Mexico at the following described location:

2310' from the North line and 2310' from the West line of Section 2, Township 15 South, Range 37 East.

This is to advise that the Gulf Oil Corporation has no objection to the location as proposed and hereby waives right of protest.

Yours very truly,

GULF OIL CORPORATION

By: G. H. Fisher

G. H. Fisher, Manager
of Exploitation

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 26, 1952

C
O
P
Y

Shell Oil Company
Box 1457
Hobbs, N. M.

Gentlemen:

RE: OSB Case 414

We enclose a copy of legal notice issued this week in connection with Case 414 which is scheduled to be heard before the Oil Conservation Commission at its regular hearing on October 15, 1952.

As adjoining lessee, your company is herewith being notified in conformance with provisions of Rule 104 of the Commission's Rules and Regulations.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

VIA REGISTERED MAIL

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 26, 1952

C
O
P
Y

Gulf Oil Corporation
Box 1667
Hobbs, N. M.

Attention: Mr. McPherson

Gentlemen:

RE: OCC Case 414

We enclose a copy of legal notice issued this week in connection with Case 414 which is scheduled to be heard before the Oil Conservation Commission at its regular hearing on October 15, 1952.

As adjoining lessee, your company is herewith being notified in conformance with provisions of Rule 104 of the Commission's Rules and Regulations.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

VIA REGISTERED MAIL

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 28, 1952

Mr. Clarence Hinkle
Hervey, Dow and Hinkle
Roswell, New Mexico

Dear Sir:

We attach herewith for transmittal to your client two signed copies of Commission Order R-206 as issued in Case No. 414, which was heard on October 15, 1952.

Yours very truly,

W. B. Macey
Chief Engineer

WRM:nr

C
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P
Y

J. M. HERVEY
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.

LAW OFFICES
HERVEY, DOW & HINKLE
ROSWELL, NEW MEXICO

WILLIAM C. SCHAUER
HOWARD C. BRATTON
S. B. CHRISTY IV

October 20, 1952

R. R. Spurrier
Oil Conservation Commission
Santa Fe, New Mexico

Re: Case No. 414 - Atlantic
Unorthodox Location
SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 2, T. 15 S.,
R. 37 E., Denton Field,
Lea County, New Mexico.

Dear Mr. Spurrier:

In anticipation that the Oil Conservation Commission will favorably consider Atlantic's application for approval of the above described unorthodox location, which matter the Commission took under advisement on October 15, 1952, we have prepared and hand you herewith in triplicate a form of Order which you may use in promulgating your decision.

We would appreciate hearing from you at an early date with regard to this matter.

Yours very truly,

HERVEY, DOW & HINKLE

By: 

GHH:mb
Enc.

cc: A. D. Tanco, Legal Dept.
The Atlantic Refining Co.
P. O. Box 2819
Dallas, Texas
(Your File SW 67-3-1)

cc: The Atlantic Refining Co.
Roswell,
New Mexico

