

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. F. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201

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

LA154 DA456P

(461)

D ABA232 ABILENE TEX 15 342PMC=

MAY 15 PM 2 53

NEW MEXICO OIL COMMISSION=

SANTA FE NMEX=

Office # 1066

AS ONE OF LARGER LEASE HOLDERS IN AREA, WE ARE IN ACCORD
WITH SAN JUAN GAS CORPORATIONS REQUEST FOR TEMPORARY
SPACING OF 320 ACRES IN PROPOSED GAVILAN UNIT CASE
NO 1066=

A G HILL=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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LA195 DB266

MAY 8 PM 2 49 (40)

D-MDA180 PD=MIDLAND TEX 8 309PMC=

NEW MEXICO OIL AND GAS CONVERSATION COMM=

STATE CAPITOL SANTA FE NMEX=

IN REGARD TO CASE NO. 1066 APPLICATION OF SAN JUAN GAS CORPORATION FOR AN ORDER TEMPORARILY ESTABLISHING 320 ACRE DRILLING UNITS FOR CERTAIN LAND IN TOWNSHIPS 24 AND 25 NORTH, RANGE 2 WEST, RIO ARRIBA COUNTY, NEW MEXICO THIS IS TO ADVISE THAT HUMBLE OIL AND REFINING COMPANY IS IN FULL ACCORD WITH SAN JUAN GAS CORPORATION REQUEST=

HUMBLE OIL AND REFG CO BY R W BYBEE=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING SERVICE

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MAIN OFFICE

W. P. MARSHALL, PRESIDENT

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LA 171 MAY 15 2:50 PM

Case #1066 (231)

K TUC318 PD=TULSA OKLA 15 410PMC

NEW MEXICO OIL COMMISSION

SANTA FE NMEX

AS OWNERS OF LEASEHOLD IN THE SUBJECT AREA WE URGE
APPROVAL OF TEMPORARY 320 ACRES SPACING ON CASE
NUMBER 1066 GAVILAN UNIT 25 NORTH TWO WEST RIO ARriba
COUNTY NEW MEXICO FOR SAN JUAN GAS CORP

C E MCMAHON INC

—320 1066 25

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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LA220 DB471

(12)

D SAA908 PD=SAN ANTONIO TEX 15 556PMC=

NEW MEXICO OIL COMMISSION=

SANTA FE NMEX=

MAY 15 PM 6 18

RE HEARING 1066 WE AS LEASE OWNERS IN THE AREA ARE IN
SYMPATHY WITH SAN JUAN GAS CORPORATIONS REQUEST FOR
320 ACRE TEMPORARY SPACING IN THE PROPOSED GAVILAN
UNIT=

GILCREASE OIL CO=

02:8 AM 16 MAY 1956

MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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TELEGRAM

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1201

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LA2 18 DB470

(10)...

D SAA907 RX PD=SAN ANTONIO TEX QT 556PMC= *Case # 100*

NEW MEXICO OIL COMMISSION=

1936 MAY 15 10 6 1r

SANTA FE NMEX=

RE HAVING 1066 T AS MINERAL OWNER IN THE AREA ARE IN
SYMPATHY WITH SAN JUAN GAS CORPORATIONS REQUEST FOR
320 ACRE TEMPORARY SPACING IN THE PROPOSED GAVILAN UNIT=
E L AMES=

02:8 W 91 JAN 9001

MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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1201

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LA245 KA561

K TUA865 NL PD=TULSA OKLA 15

=NEW MEXICO OIL AND GAS COMMISSION=

SANTA FE NMEX=

IN MY OPINION THE APPLICATION OF SAN JUAN GAS CORPORATION
FOR TEMPORARY 320 ACRE SPACING IN THE LINDRITH GAVILAN
AREA IS JUSTIFIED=

JAMES H GARDNER=

02:8 17 91 AMN 9961

MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

FOSTER MORRELL

PETROLEUM CONSULTANT

NICKSON HOTEL BUILDING
ROSWELL, NEW MEXICO

April 9, 1956

*Examiner Hg.
@ Santa Fe
first ad. May*

Mr. A. L. Porter, Jr.
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Attached are three (3) copies of my application as Agent for San Juan Gas Corporation for an order temporarily establishing 320-acre drilling units for the Pictured Cliffs formation for certain lands in Ts. 24 and 25 N., R. 2 W., N.M.P.M., Rio Arriba County, New Mexico.

Also attached for your information are three (3) copies of a map showing the area involved in the above mentioned application and one (1) copy of my memorandum dated March 19, 1956, regarding a conference held in Washington, D. C., on March 8, 1956, relative to the proposed Gavilan Unit Agreement which is the basis for the request for the temporary well spacing order.

You will note in the application that request is made that the matter be set for examiner hearing at Santa Fe at your earliest convenience.

Your cooperation in this matter is sincerely appreciated.

Very truly yours,

Foster Morrell
Foster Morrell

FM/nrd
Enclosures

cc: San Juan Gas Corporation
Tulsa, Oklahoma

Porter;
MAIN OFFICE OGC
1955 APR 10 AM 8:10

These papers were
inadvertently not included
as enclosures with my letter
of 4/9/56 and application
for 320-acre spacing for
Pictured Cliffs for the
Fairlan Unit Area.

Foster

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 4, 1956

Mr. Howard Bratton
Hervey, Dow & Hinkle
P.O. Box 547
Roswell, New Mexico

Dear Sir:

In behalf of your client, San Juan Gas Corporation, we enclose two copies of Order R-810 issued May 28, 1956, by the Oil Conservation Commission in Case 1066, which was heard on May 16th.

Very truly yours,

A. L. Porter, Jr.
Acting Secretary - Director

brp
Encls.

C
O
P
Y

MAIN OFFICE 200

FOSTER MORRELL

PETROLEUM CONSULTANT
NICKSON HOTEL BUILDING
ROSWELL, NEW MEXICO

April 25, 1956

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

Dear Mr. Mankin:

By letter of April 21, Mr. Jason W. Kellahin furnished me with a copy of his protest as Attorney for R. and G. Drilling Company, Inc., in Case No. 1066. Under your rules and regulations this will automatically continue the examiner hearing in this case set for May 9 to the regular hearing on May 16, 1956. I suppose that notice of this continuance will be covered in the docket to be published for the May 16 hearing and that it will be unnecessary for me to appear in your office in Santa Fe on May 9 for this case.

Please confirm.

Very truly yours,

Foster Morrell
Foster Morrell

FM/nrd
Enclosure

cc: Mr. E. Alex Phillips (w/encl.)
San Juan Gas Corporation
1716 First National Building
Tulsa, Oklahoma

JASON W. KELLAHIN
ATTORNEY AT LAW
54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 597
SANTA FE, NEW MEXICO
TELEPHONE 3-9396

April 21, 1956

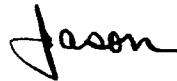
Mr. A. L. Porter
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Pete:

I am enclosing a copy of a protest to be entered
Case No. 1066. I have also sent copies of this to
Foster Morrel, John Anderson and Phil McGrath.

Would you please notify me if this case is re-set
and the date of hearing.

Yours very truly,



Jason W. Kellahin

JWK:lm

Encl. (1)

Case 1066

IN REPLY REFER TO:



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

1953 MAY 11 PM 10:37
P. 10:37
Box 6721
Roswell, New Mexico

May 10, 1956

Mr. A. L. Porter
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

In connection with our recent discussion of the application of the San Juan Gas Corporation (Case 1066) for an order establishing 320-acre Pictured Cliffs drilling units in the Gavilan area, I have received the following information from Mr. H. G. Barton, Chief, Oil and Gas Leasing Branch, U. S. Geological Survey, on the commitments allegedly made to Foster Morrell and E. Alex Phillips of San Juan Gas Corporation by Survey representatives in Washington:

"On March 8, Messrs. Morrell and E. Alex Phillips discussed the case here in a little more detail but no commitments were made or waiver of procedure indicated. Morrell's memorandum of March 19 as to his understanding of the discussion covered the points discussed but possibly gave you misleading impressions by the poor or over-zealous choice of terms, such as "conclusions reached," "agreed to orally," and "preference for 320-acre drilling blocks."

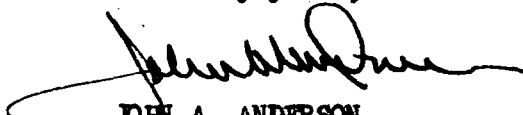
Actually no commitments whatever were made, but willingness to permit the filing of proposals discussed was indicated in order that the merits of such proposals could be decided upon the basis of the supporting presentations, which certainly should include the proponent's, yours, the State's, and any other's pertinent. If in Morrell's eagerness to win some point he has been a little too zealous or emphatic in his assertions, you should not be either surprised or alarmed but present your arguments as you see them without fear of your being bypassed here.

As for the block-type unit versus the standard form, the extent of our commitment was that the block-type unit appeared to better suit certain units under favorable conditions. As for the 320-acre spacing, we indicated surprise that 320-acre

spacing may be used for the shallow Pictured Cliffs formation, but if the Supervisor, the State, and the unit operator were of the opinion that field conditions warranted such spacing, even on a temporary basis, we would consider the facts when presented. However, full justification would be expected. Accordingly, the discussion of a 320-acre block type unit carried no commitment whatever as to acceptable spacing other than to review a proposal when submitted."

The foregoing information shows conclusively that our Washington office made no commitments to Mr. Morrell and to Mr. Phillips regarding 320-acre spacing for Pictured Cliffs production in the Gavilan area. This office is of the firm opinion that the results of drilling in the Gavilan area to this time present no evidence upon which 320-acre spacing for Pictured Cliffs production could reasonably be based.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John A. Anderson", written over a horizontal line.

JOHN A. ANDERSON
Regional Oil & Gas Supervisor



RECEIVED MAY 13 1956

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
J. S. FREEMAN, VICE PRESIDENT

May 10, 1956

Re: Proposed Gavilan Unit
Rio Arriba County, New Mexico

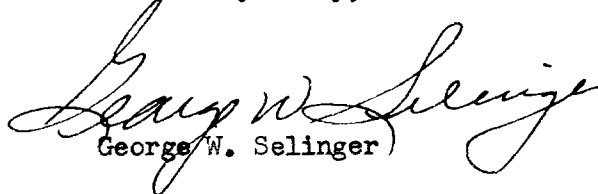
Mr. Foster Morrell
Nickson Hotel Building
Roswell, New Mexico

Dear Sir:

Your letter of May 2, addressed to Mr. Cashman, has been referred to the writer for reply. You advise that Case 1066 has been set for hearing 9:00 A.M. on May 16 in Santa Fe, which hearing is to cover the subject matter of 320-acre drilling and spacing units.

This is to advise that Skelly has no objections to the issuance of an order temporarily establishing 320-acre drilling units for the Pictured Cliffs formation.

Yours very truly,


George W. Selinger

GWS:zmr
cc-Mr. A. L. Cashman

San Juan Gas Corporation
1716 First National Building
Tulsa, Oklahoma