

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

March 11, 1957

C
O
P
Y

Mr. H. D. Bushnell
Amerada Petroleum Corporation
P.O. Box 2040
Tulsa 2, Oklahoma

Dear Sir:

We enclose a copy of Order R-957 issued March 8, 1957, by the Oil Conservation Commission in Case 1209, which was heard on February 20th at Santa Fe.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encl.

SOUTHERN CALIFORNIA PETROLEUM CORPORATION

SUITE 905 PETROLEUM LIFE BUILDING . . . MIDLAND, TEXAS

PHONE 4-8044

February 19, 1957

New Mexico Oil Conservation Commission
125 Mabry Hall
Capitol Building
Santa Fe, New Mexico

Re: Case 1209, Feb. 20, 1957
Application of Amerada Petroleum Corp.
for 320-Acre non-standard gas
proration unit, Jalmat Gas Pool,
Lea Co., N. M. comprising the N $\frac{1}{2}$ Sec. 3,
T26S, R37E.

Gentlemen:

Southern California Petroleum Corporation again objects to the assignment of a proration unit in excess of 160 acres in the N $\frac{1}{2}$ of Section 3, T26S, R37E, to the Amerada Petroleum Corp., "Cagle C" No. 1 well, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3, T26S, R37E, Jalmat Gas Pool, Lea County, New Mexico.

Southern California Petroleum Corporation is the owner and operator of the Dabbs No. 1, Jalmat Gas Pool well in the SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34, T25S, R37E, approximately 2000' northwesterly from the "Cagle C" No. 1. Our well is assigned a 160-acre proration unit. We feel that Amerada's application is in exception to Commission Order R-520 (b) 3 in that the NE $\frac{1}{4}$ of said Section 3 may not reasonably be presumed to be productive of gas. We question whether the Yates zone would be productive of gas in the entire E $\frac{1}{2}$ of Section 3, due to: (1) the structural low trending NNW-SSE through the E $\frac{1}{2}$ of Section 3, and (2) a facies change in the Yates zones whereby Yates sands are rapidly going anhydritic eastward across said Section 3.

Further, that the NE $\frac{1}{4}$ of said Section 3 is not now considered to be within the horizontal limits of the Jalmat Gas Pool, and that the present stage of development of gas production in this immediate area does not warrant an extension of the pool to include the NE $\frac{1}{4}$ of Section 3, T26S, R37E.


We, therefore, recommend you agree to a 160-proration unit

Page 2
New Mexico Oil Conservation Commission
February 19, 1957

consisting of the NW $\frac{1}{4}$ of Section 3, T26S, R37E, for the
Amerada Petroleum Corp., C. C. Cagle "C" No. 1 well.

Yours very truly,

SOUTHERN CALIFORNIA PETROLEUM CORP.



J. A. Warren
Division Engineer

cc Amerada Petroleum Corp.
Monument, New Mexico

El Paso Nat'l Gas Co.
Jal, New Mexico
Midland, Texas

Pan American Petroleum Corp.
Roswell, New Mexico

R. Olsen Oil Company
Jal, New Mexico

The Texas Company
Midland, Texas

CLASS OF SERVICE

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

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

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

LA 183 DA 372

(05)

D MDA 210 PD MIDLAND TEX 19 359PMC=

DANIEL S NUTTER, EXAMINER=

1957 FEB 19 PM 3 11

NEW MEXICO OIL CONSERVATION COMM MABRY HALL

SANTA FE NMEX=

RE CASE 1209 SET FOR HEARING FEBRUARY 20. SOUTHERN CALIFORNIA PETROLEUM CORP RECOMMENDS 160 ACRE PRORATION UNIT AND OBJECTS TO 320 ACRE PRORATION UNIT FOR AMERADA PETROLEUM CORP CAGLE "C" NUMBER 1 WELL. WE WILL NOT BE REPRESENTED AT HEARING. LETTER FOLLOWS=

SOUTHERN CALIFORNIA PETROLEUM CORP=

1209 20 160 320 C 1=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE