

ANDERSON-PRICHARD OIL CORPORATION



DISTRICT IV FIELD OFFICE

SUITE B-400, NEW U. S. NATIONAL BANK BUILDING

1740 BROADWAY

DENVER, COLORADO

PHONE KEYSTONE 4-1849

GENERAL OFFICE

LIBERTY BANK BLDG.

OKLAHOMA CITY 2, OKLAHOMA

February 8, 1957

Our File:
DNM-8-B

Sun Oil Company
P. O. Box 1798
Denver, Colorado

Subject: #1 Harold Begay
C NW SW Section 25-25N-11W
San Juan County, New Mexico

Attention: Mr. Robert O. Lewers

Dear Sir:

Attached is a letter from Mr. Emery C. Arnold, Supervisor, District #3, New Mexico Oil Conservation Commission, relative to the subject well. As stated in Mr. Arnold's letter, this well was located as a standard oil well location, as we anticipated completing this well as an oil well. However we did not find the Gallup sand to be oil productive, but gas productive, and consequently the well was completed as a gas well.

The attached letter and State Order No. R-855 explain the State's position relative to a non-standard gas producing location and the procedure to follow in order to establish an allowable for this well. Since your company has assumed the operation of this lease effective February 1, 1957, we feel that it is their responsibility to institute this hearing before the Commission.

If we can be of further assistance, please advise.

Yours very truly,

ORIGINAL SIGNED BY
KARL A. BASHARA

KARL A. BASHARA
District Superintendent

Encl.

cc - Mr. Emery C. Arnold, OCC, Artec, New Mexico
Mr. A. L. Porter, OCC, Santa Fe, New Mexico
Mr. Sam F. Shakely, Oklahoma City
Mr. Duncan V. Petty, Oklahoma City
Mr. C. T. McClure, Oklahoma City

KAB:rw

NEW MEXICO
OIL CONSERVATION COMMISSION
AZTEC, NEW MEXICO

XXXXXXXXXXXX

120 East Chaco
February 4, 1957

Anderson-Prichard Oil Co.
1740 Broadway
Denver, Colorado

Att: Mr. Karl A. Bashara

Dear Mr. Bashara:

We note from your Well Record form that your #1 Harold Begay well, Unit L, Section 25-25N-11W has been completed as a gas well in the Gallup formation. This well is located 1980 feet from the South line and 660 feet from the West line of the Section. Therefore, under Rule 104 as amended by Order R-855 it is a non-standard gas well location, although it was drilled as a standard oil well location.

It will, therefore, be necessary that you bring the matter of the non-standard location to hearing before approval for the production of gas can be given, as set out in Rule 104, Paragraph B. Sub-section 2. I would suggest that you make application to Mr. A. L. Porter to set a hearing date on this matter. If you wish an examiner hearing can be set in Aztec or Farmington or if you prefer it can be set for regular hearing in Santa Fe.

We are enclosing a copy of Order R-855. If we can be of assistance please advise.

Yours very truly

Emery C. Arnold
Supervisor, District #3

ECA:ks

cc: Mr. A. L. Porter
OCC, Santa Fe, N.M.

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

1957 MAR 15 PM 1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT4=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

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DVA299 PD=FAX DENVER COLO 15 313PNM=

A L PORTER, JR., CARE MR COOLEY=

PHONE 3=7376 NEW MEXICO OIL CONSERVATION

COMMISSION 125 MABRY HALL, CAPITOL BLDG SANTA FE

NMEX=

WITH RESPECT TO CASE 1228 WE RECENTLY FILED A REQUEST FOR INDEFINITE POSTPONEMENT OF OUR APPLICATION FOR A HEARING ON A NON=STANDARD LOCATION NO. 1 HAROLD BEGAY WELL, C NW/SW OF SECTION 25, T. 25 N., R. 11 W., SAN JUAN COUNTY, NEW MEXICO. WE WISH TO MODIFY OUR REQUEST FOR A POSTPONEMENT TO DISMISSAL OF OUR APPLICATION WITHOUT PREJUDICE=

SUN OIL CO ATTORNEY IN FACT=NS CONCERNING ITS SERVICE

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

April 15, 1957

Mr. W. W. Walmsley
Sun Oil Company
P.O. Box 1798
Denver 1, Colorado

Dear Sir:

We enclose a copy of Order R-976 issued April 12, 1957, by the Oil Conservation Commission in Case 1228, which was heard on March 21st at Farmington, New Mexico.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encl.

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Y