SUNBAY MID-CONTINENT OUL COMPANY

P. O. Box 8367 Albuquerque, New Mexico

February 9, 1959

Mr. Murray Morgan State Land Commissioner New Mexico Oil Conservation Commission State Capitol Building Santa Fe, New Mexico

Dear Mr. Morgan:

If possible, I should like a copy of the Commission's order relating to oil-well spacing in the Bisti Pool Area. I believe the hearings on this order were held January 17th and 18th, 1959.

Thank you.

Yours very truly,

Frank &. Devlin District Geologist

FJD-LP



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 2, 1959

Mr. Bill Loar Sunray Mid-Continent Oil Co. F.C. Box 2039 Tulsa 2, Oklahoma

Dear Mr. Loar:

We enclose a copy of Order R-1069-E issued February 2, 1959, by the Oil Conservation Commission in Case 1308, which was last heard on January 14, 1959.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

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DL=Day Letter NL=Night Letter

SYMBOLS

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MABRY HALL STATE CAPITOL SANTA FE NMEX:

=RE CONTINUATION OF RULES AND REGULATIONS SET FORTH IN ORDER NO. R-1069-B / CASE NO. 1308/ MAGNOLTA PETROLEUM COMPANY. AS A OPERATOR IN THE BISTI LOWER GALLUP OIL POOL. . HEREBY SUPPORTS SUNRAY MID CONTINENT OIL COMPANY IN ITS REQUEST FORA CONTINUATION OF 80 ACRE SPACING AND PRORATION UNTTS FOR THIS POOL IN SAN JUAN COUNTY, NEW MEXICO. WE FEEL THAT THE PREPONDERANCE OF GEOLOGICAL AND ENGINEERING TESTIMONY SUPPORTS 80-ACRE SPACING FOR THIS RESERVOIR= D V CARTER MAG PET CO==

NO R-1069-B 1308 80 80=

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SYMBOLS

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NEW MEXICO OIL CONSERVATION COMMISSION, ATTN MR

A L PORTER SECRETARY AND DIRECTOR SANTA FE NMEX=

IN REGARD TO CASE NO. 1308 TO BE HEARD BEFORE THE COMMISSION JANUARY 14. 1959. IT IS THE POSITION OF HONOLULU OIL CORPORATION THAT ORDER R-1069-B BE CONTINUED AND MADE A PERMANENT ORDER. HONOLULU OIL CORPORATION HAS ONE WELL PRODUCING IN THE BISTI LOWER GALLUP OIL POOL AT THE PRESENT TIME=

GEORGE R HOY HONOLULU OIL CORP MIDLAND TEXAS=

STOP TO THOSE POLICY OF COMPANY

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1308 14 1959 R-1069-B=

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

ALEX CLARKE, JR. DIVISION ENGINEER FORT WORTH, TEXAS

January 12, 1959

File:

GWK-6120-986.510.1

Subject:

Case 1308, Regular Hearing Docket, January 14, 1959 Establishment of Uniform 80

Acre Well Spacing and

Promulgation of Special Rules and Regulations for Bisti Lower Gallup Field, San Juan

County, New Mexico

New Mexico Oil Conservation Commission Capitol Annex Building Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Pursuant to the Commission's Order No. R-1069-B dated January 17, 1958 the subject case has been scheduled for the regular hearing docket of January 14, 1959.

Pan American Petroleum Corporation is an operator in this field and has participated in previous hearings concerned with the adoption of rules for this field, and generally supported the rules that are currently in effect on a temporary basis. It was our opinion at the time of these prior hearings that the proper size unit for this pool was 80 acres. All data which have been gathered in the interim period have confirmed our conclusion that one well will efficiently and effectively drain in excess of 80 acres. Therefore, we recommend that the present temporary rules, now in effect, be adopted as permanent rules for this pool.

It is requested that this statement of our position be read into the record of the January 14, 1959 hearing.

Very truly yours,

Alla Clarke, St.

REM:lj



SHELL OIL COMPANY

705 West Municipal Drive Farmington, New Mexico

December 22, 1958

Subject: Bisti Lower Gallup Oil Pool Orders R-1069-B and R-1069-D

New Mexico Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

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1-7-59 EP

It is our understanding that at the monthly Commission hearing in January 1959 the matter of continuation of Orders R-1069-B and R-1069-D, relating to the Bisti Lower Gallup Oil Pool, will be considered. As we indicated in the course of the recent discussions with respect to dismissal of our appeal from such orders, we would now have no objection to their continuation or to the re-establishment of forty-acre proration under the statewide rules. However, we would be strongly opposed to any modification of these orders which would make them eighty-acre spacing orders or which would in anywise serve to preclude our drilling forty-acre wells in the Bisti Lower Gallup Oil Pool.

In the event the proponents of eighty-acre proration in this pool should attempt to modify Orders R-1069-B and R-1069-D in such a manner as to preclude our drilling forty-acre wells, we anticipate presenting additional evidence in support of our position in this matter at the January hearing.

Yours very truly,

R. R. Robison,

Division Production Manager