

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 11, 1958

Mr. Robert Fox  
Kellahin & Fox  
Box 1713  
Santa Fe, New Mexico

Dear Mr. Fox:

On behalf of your client, Continental Oil Company, we enclose two copies of Order K-1192 issued June 10, 1958, by the Oil Conservation Commission in Case 1437, which was heard on May 6th at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

bp  
Encls.

*Typed copy given 6/12/58  
Dated 6/10/58  
and 6/11/58  
6/11/58*

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OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 5-19-58

CASE NO. 1437

HEARING DATE DSN 9am SF 5/6/58

My recommendations for an order in the above numbered case(s) are as follows:

Enter an order in the subject case denying Continental's request for the establishment of ~~an~~ a 320-acre NSP in the Jalmat gas Pool.

Operator presently has a 160-acre unit (NW $\frac{1}{4}$  of sec 7-T23S-R37E) and seeks to expand same to include the NE $\frac{1}{4}$  within the boundaries of the NSP dedicated to its Stevens B-7 unit well No 1 located 990' from the north & west lines of said Section 7.

In my opinion applicant has failed to prove ~~that the proposed extension would be productive of gas.~~ that the proposed extension ~~would~~ is production of gas. Furthermore applicant already has most of the Jalmat producing formations open in another gas well on the proposed extension, and although this other well is classified as a Ranchar Matias well, it nevertheless is producing from an interval which does include the Jalmat.

Staff Member

*Samuel H. [Signature]*  
Examiner

PAUL S. JOHNSTON  
SUPERINTENDENT OF PRODUCTION

ALBERT GACKLE, OPERATOR

P. O. BOX 2076  
HOBBS, NEW MEXICO

May 2, 1958

*see 1437 file*

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

Attention: Mr. A. L. Porter Jr.

Subject: NMOCC Case No. 1437  
Stevens Unit B-7 No.1

Gentlemen:

It is our understanding that the above case has been set for hearing on May 6, 1958. We will be unable to attend this hearing.

It has been called to our attention that the proposed unit, ie, N 1/2, Section 7, T-23S, R-37E contains only approximately 314.65 acres instead of 320 acres.

We concur with the operator in the above case and agree that the unit be based on the actual number of acres in the N 1/2 of section.

Very truly yours,

*Paul S. Johnston*  
Paul S. Johnston

PSJ:bt

# AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

April 29, 1958

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

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

Subject: NMOCC Case No. 1437

Gentlemen:

We have been notified of the application of Continental Oil Company for the approval of a non-standard gas proration unit in the Jalmat Gas Pool to be heard as Case No. 1437 before Daniel S. Nutter, as examiner, on May 6, 1958. Aztec Oil & Gas Company has unitized its interest in the N/2 of Section 7-23S-37E, Jalmat Gas Pool, Lea County, New Mexico, in the Continental Oil Company's Stevens B-7 Unit well No. 1. Aztec Oil & Gas Company has 1/4 interest in this unit and desires to request that the New Mexico Oil Conservation Commission approve the increase in acreage from the NW/4 to the N/2 of said Section 7 to be heard under Case No. 1437. Please consider this letter our appearance in Case No. 1437.

Yours very truly,

AZTEC OIL & GAS COMPANY

  
Warren W. Mankin  
Chief Engineer

WWM:gt