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

BEST AVAILABLE COPY

February 13, 1959

Mr. Sim Christy Hervey, Dow & Hinkle P.O. Box 547 Roswell, New Mexico

Dear Mr. Christy:

On behalf of your client, Cabot Carbon Company, we enclose two copies of Order R-1332 issued February 12, 1959, by the Oil Conservation Commission in Case 1587, which was heard on February 4th at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

bp Encls.

Case. 1587

J. M HERVEY 1874-1953 HIRAM M. DOW CLARENCE E. HINKLE W E. BONDURANT, JR. GEORGE H. HUNKER, JR. HOWARD C. BRATTON S. B. CHRISTY IM LEWIS C. COX, JR. PAUL W. EATON. JR. ROBERT C. BLEDSOE LAW OFFICES HERVEY, DOW & HINKLE HINKLE BUILDING ROSWELL, NEW MEXICO

January 9, 1959

TELEPHONE MAIN 2-6510 Post Office Box 547

Mr. Oliver E. Payne, General Counsel New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Oliver:

Thank you for your letter of January 7 advising that it is not necessary to serve a copy of our application in behalf of Cabot-Carbon Company for an oiloil dual completion of its J. L. Reed Well No. 2 in the King Pool, Lea County, New Mexico; we further note you suggest that as a matter of courtesy it would be preferable to send a copy to the offset owners despite the fact that this is not required by the Commission rules.

For the information of parties receiving a copy of this letter, we have today sent a copy of the application by certified mail to Gulf Oil Corporation, The Atlantic Refining Company, Forrest Oil Corporation, and Kerr-McGee Oil Industries, Inc.

Best regards.

Respectfully,

HERVEY, DOW & HINKLE

SBC:jy cc: Mr. T. L. Stall Cabot-Carbon Company P. O. Box 4395 Midland, Texas

cc: Mr. Joe M. Daniel, Jr. Cabot-Carbon Company P. O. Box 1101 Pampa, Texas

J. M. HERVEY 1874-1953 HIRAM M. DOW CLARENCE E. HINKLE W E BONDURANT, JR. GEORGE H. HUNKER, JR. HOWARD C. BRATTON S B. CHRISTY IV LEWIS C. COX, JR. PAUL W. EATON, JR. ROBERT C. BLEDSOE LAW OFFICES HERVEY, DOW & HINKLE HINKLE BUILDING ROSWELL, NEW MEXICO

December 12, 1958

TELEPHONE MAIN 2-6510 Post Office Box 547

Case 1587

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

Attention: Mr. Jack Cooley

Re: Application of Cabot-Carbon Company to dually complete as an oil-oil well its J. L. Reed Well No. 2 in the King Pool, Lea County, N.M. Our No. 124-42

Dear Jack:

We are enclosing herewith in triplicate Application of Cabot Carbon Company for a permit to dually complete as an <u>oil-oil</u> well its J. L. Reed Well No. 2 in Section <u>35</u>. Township 13 South, Range <u>37</u> East (King Pool), Lea County, New Mexico; attached to the Application is the Commission's form of Application for Dual Completion 7-3-58, a diagrammatic sketch of the dual string proposed completion, and a plat showing the location of the well in question, the offset wells and leases, as well as the names and addresses of the operators of all offset leases.

This application is filed pursuant to amended rule 112-A effective July 3, 1958 under Order No. R-1214.

In reading the above rule, I am unable to locate the provision requiring notice to offset operators where the application is for a public hearing as in the present instance. We have sufficient copies of the application to send to offset owners, but I have not done this as yet, and would appreciate your advice on this point; I do notice the requirement of notice to offset operators where the application is for an administrative approval, but none in the present instance. I might state that the only offset operators to the well in question are companies owning an interest in the well in question (Atlantic, Gulf and Forest), but Kerr-McGee is an offset owner to the lease upon which the subject well is situate. If you feel it is necessary to notify offset owners, then I would further appreciate you advice as to whether this applies to offset operators to the lease or to the well.

Actit 54.

December 12, 1958

If possible, we would like to have this application considered at an examiner's hearing in February of 1959.

Best regards.

Respectfully,

HERVEY, DOW & HINKLE

hristy # BY:

SBC:jy

- 2 cc: Mr. T. L. Stall Cabot Carbon Company P. O. Box 4395 Midland, Texas
- l cc: Mr. Joe M. Daniel, Jr. Cabot Carbon Company P. O. Box 1101 Pampa, Texas