

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 2045
HOBBS

March 25, 1959

Mr. D. S. Nutter, Chief Engineer
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Dan:

This letter is in reference to Case No. 1611 in which Continental Oil Company asks for three non-standard gas proration units in the Jalmat Gas Pool.

194 as Pacific Coal + oil
After studying the exhibits presented by Continental and doing some additional geological work, I find that all three non-standard gas units are productive of gas, and that their respective wells are capable of draining the proration units requested.

Sincerely,

John W. Runyan
John W. Runyan
Geologist

JWR:mg

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 13, 1959

Mr. Jack Campbell
Campbell & Russell
P.O. Box 721
Roswell, New Mexico

Dear Jack:

Reference is made to Order No. R-1364 in which your client, Texas Pacific Coal & Oil Company, was granted four non-standard gas proration units in the Jalmat Gas Pool. Since sending you two copies of this order some time last week, I have discovered that Paragraph (7) of the order portion contains an error. Line two of Paragraph (7) should say Section 21 rather than Section 20. This error has been corrected on the original copy from which the orders are printed.

Would you please correct your two copies to so read.

Very truly yours,

Oliver E. Payne
General Counsel

OEP:bp

cc. 2-10-59

Case 1611

TEXAS PACIFIC COAL AND OIL COMPANY

MIDLAND, TEXAS

FEBRUARY 5, 1959

*Gas
Hearing*

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

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

Re: Texas Pacific Coal and Oil Company's application for a hearing to grant a 240-acre non-standard gas proration unit for its State of New Mexico "A" a/c-1 Well No. 3 in Section 21, Township 23 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

Gentlemen:

Texas Pacific Coal and Oil Company respectfully requests a hearing under the provisions of Rule 5(b) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520 for the formation of a 240 acre non-standard gas proration unit for its State of New Mexico "A" a/c-1 Well No. 3, located 1650' from the North line and 330' from the West line - the SW/4 NW/4 - of Section 21, Township 23 South, Range 36 East, Lea County, New Mexico.

The proposed unit is to consist of the W/2 NW/4 of Section 21 and the NE/4 of Section 20, both in Township 23 South, Range 36 East. Since this proposed unit will cross section lines, it is contrary to Rule 5(b)-2 which states that the unit should lie wholly within a single governmental section. However, in support of this request we would like to point out that the proposed non-standard gas proration unit conforms with the other requirements of said Rule 5(b) as follows:

1. Said unit consists of contiguous quarter-quarter sections.
2. The entire proposed unit may be reasonably presumed to be productive of gas.
3. The length or width of said unit does not exceed 5280 feet.
4. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1500 feet of said well.

Texas Pacific further respectfully requests that contingent upon the approval of this application and the one submitted for its State of New Mexico "A" a/c-1 Wells No. 4 and No. 6, the following non-standard gas proration units remain in effect:

1. A 120 acre non-standard gas proration unit dedicated to the State of New Mexico "A" a/c-1 Well No. 4 consisting of the N/2 NW/4 of Section 21 and the NE/4 NE/4 of Section 20, Township 23 South, Range 36 East and
2. A 120 acre non-standard gas proration unit dedicated to the State of New Mexico "A" a/c-1 Wells No. 3 and No. 6 consisting of the S/2 NW/4 of Section 21 and the SE/4 NE/4 of Section 20, Township 23 South, Range 36 East.

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the well and the offset ownership.

In view of the facts set out herein, it is respectfully requested that the Commission grant a hearing to hear evidence in order that it might approve the non-standard gas proration unit for Texas Pacific Coal and Oil Company's State of New Mexico "A" a/c-1 Well No. 3 as described above.

Yours very truly,

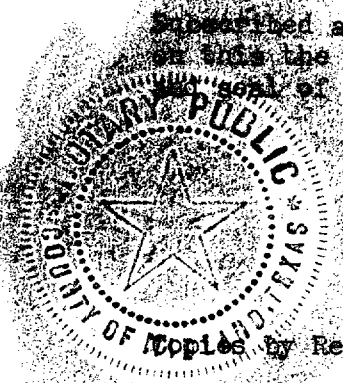
TEXAS PACIFIC COAL AND OIL COMPANY

By John Yuronka
John Yuronka, Division Engineer

THE STATE OF TEXAS |

COUNTY OF MIDLAND |

Subscribed and sworn to before me, the undersigned authority, by JOHN YURONKA, on this the 5th day of February, A. D. 1959, to certify which witness my hand and seal of this office.



Lloyd Beck LLOYD BECK
Notary Public in and for Midland
County, Texas

Copies by Registered Mail to:

Continental Oil Company
P. O. Box 427
Hobbs, New Mexico

Gulf Oil Corporation
P. O. Drawer 669
Roswell, New Mexico

Ralph Lowe
P. O. Box 832
Midland, Texas

Magnolia Petroleum Company
P. O. Box 2406
Hobbs, New Mexico

Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas

*file
T-P case file
1611*

TEXAS PACIFIC COAL AND OIL COMPANY

GENERAL OFFICES
FORT WORTH 1
TEXAS

PLEASE ADDRESS REPLY TO COMPANY AT
POST OFFICE BOX ~~2337~~ 4067
MIDLAND, TEXAS

April 2, 1959

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

Attention: Mr. Daniel Nutter

Dear Sir:

To verify our telephone conversation of this date, the locations of the Texas Pacific Coal and Oil Company wells shown below are correct to the best of my knowledge. All of the wells are located in Section 21, T-23-S, R-36-E, Jalmat Gas Pool, Lea County, New Mexico.

New Mexico State "A" Account 1 Well No. 2
2260' from south line and 330' from west line of the section.

New Mexico State "A" Account 1 Well No. 3
1650' from north line and 330' from west line of the section.

New Mexico State "A" Account 1 Well No. 4
330' from north line and 1660' from west line of the section.

New Mexico State "A" Account 1 Well No. 6
2310' from north line and 1650' from west line of the section.

Yours very truly,

John Yuronka

John Yuronka
Division Engineer

JY:mt

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 8, 1959

Mr. Jack Campbell
Campbell & Russell
P.O. Box 721
Roswell, New Mexico

Dear Mr. Campbell:

On behalf of your client, Texas Pacific Coal & Oil Company, we enclose two copies of Order R-1364 issued April 7, 1959, by the Oil Conservation Commission in Case 1611, which was heard on March 11th at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.