

CLASS OF SERVICE

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WESTERN UNION

TELEGRAM

W. R. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

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1220
(R 11-54)

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=NEW MEXICO OIL CONSERVATION COMMISSION=

1959 DEC 11 PM 4 52

MABRY HALL STATE CAPITOL SANTA FE NMEX

=RE EXAMINER HEARING, DOCKET OF DECEMBER 11, 1959,

REGARDING CASE NO 1828 APPLICATION OF FRANCIS L HARVEY FOR EXCEPTION TO STATEWIDE RULE 104, FOR PERMISSION TO ESTABLISH 2-1/2 ACRE SPACING FOR NESA VERDE OIL WELLS IN CERTAIN SECTIONS IN T 18N, R3W, SANDOVAL COUNTY NEW MEXICO.

SOCONY MOBIL OIL COMPANY INC AS AN OWNER OF POTENTIALLY PRODUCTIVE ACREAGE IN THIS AREA, OBJECTS TO THE APPROVAL OF THIS APPLICATION ON THE GROUNDS THAT A PRECEDENT WOULD BE SET WHICH, IF FULL ALLOWABLE WERE GRANTED TO EACH WELL ON A 2-1/2 ACRE UNIT, WOULD RESULT IN FIELDS OF THIS TYPE OBTAINING MORE THAN THEIR SHARE OF THE MARKET DEMAND FOR THE STATE =

D V CARTER: SOCONY MOBIL OIL CO INC =

11 1959 1828 104 2-1/2 NESA VERDE T 18N R3W 2-1/2.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Can 1828

FRANCIS L. HARVEY
OIL AND GAS OPERATOR
P. O. BOX 990 • TELEPHONE 767-1451
WICHITA FALLS, TEXAS

GERRIT M. ORL
ACCOUNTANT

November 18, 1959

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

Gentlemen:

My partners and I have owned a large amount of Federal and State oil and gas leases in Township 18N, Range 3W, N.M.P.M. for many years.

During the past several years we have drilled or caused to be drilled in this Township some ten or twelve wells, for oil or gas. The results of this drilling have convinced us that an exception to Rule 104 in this area is eminent if such drilling is to be commercially profitable.

Accordingly, we are asking for a tolerance of 2-1/2 acre spacing, particularly in sections 10, 11, 21, 22, 23 and 33 of said Township, for the reasons stated below.

1. We are attempting to produce oil from the Mesa Verde ~~oil~~ formation, the top of which is from 200' to 500' below the surface in this area.
2. The Mesa Verde formation is composed of lenticular sand beds, interstratified with shale and coal beds. We have been unable to correlate the sand beds from one 40 acre location to an adjoining 40 acre location.
3. At one location in Section 21, 18N, 3W, we have a commercial oil well with 20 feet of pay section at a depth of 900 feet. We have followed the 40 acre spacing pattern and have drilled both North and South of the oil well but have not encountered the 900 foot pay section in either well.
4. Should we be allowed 2-1/2 acre spacing, we could proceed with our drilling program, after any discovery, in a manner that would allow us to outline the pay section without unnecessary drilling expense.
5. The pressure in the Mesa Verde formation in Township 18N, 3W is 100# P.S.I. or less. Due to this low pressure, it is unlikely that spacing of more than 2-1/2 acres would ever drain any oil formation encountered.
6. Plats covering the acreage are being submitted under separate cover.

We respectfully request the required necessary action on the part of the Commission to consider our proposal.

Yours very truly,

Francis L Harvey

FLH/mm

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mailed
11-30-59
JH*

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 17, 1959

Mr. Francis L. Harvey
P. O. Box 990
Wichita Falls, Texas

Dear Mr. Harvey:

We enclose herewith two copies of Order No. R-1555
issued by the Oil Conservation Commission on December
16, 1959 in Case No. 1828.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Enclosures: (2)