



CACTUS

P. O. BOX 12385

Petroleum, Inc.

HOUSTON 17, TEXAS

Case file

TELEPHONE MISSION 4-5151

March 11, 1960

Re: Case No. 1918 - Set for
hearing March 16, 1960, for
Cactus Petroleum, Inc., and McWood
Corporation to show cause why they
should not purchase certain Culwin-
Pool Production.

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

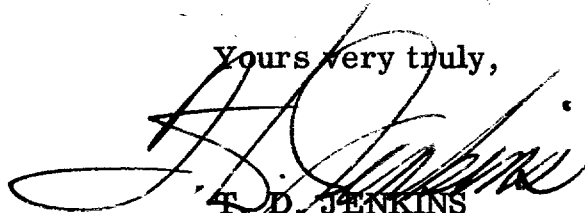
Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

If this company is required to purchase Culwin Pool production from the wells described in the Commission's order in the above-mentioned case, it will work hardship on this company in view of existing marketing conditions; however, we would like to make it clear that if the Commission shall see fit to issue an order requiring such purchases, this company will comply with the Commission's order.

Please consider this letter an appearance in the above-mentioned case since we do not contemplate having a representative present when the case is called.

Yours very truly,


F. D. JENKINS
Vice President

TDJ:bw



INC. OIL WELL SERVICING



T. J. "jimmie" HOLLIS, President

Fully Insured

PHONE EX 6-3681

BOX 1116 HOBBS HIGHWAY

LOVINGTON, N. M.

March 7, 1960

AIR MAIL

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

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

Dear Sir:

I am writing you in regard to conversation with Mr. Ramey of your Hobbs Office, regarding the sale of oil from our CEM Federal number one well, located NW/4 of NE/4 Section 29-T19S-R31E, Eddy, County, New Mexico.

We have contacted Sinclair Crude Oil Company, the only purchaser in this field, and they refused to purchase this oil. Yet, they are purchasing oil from Sun Oil Company from wells in Section 20, just two locations from our well, and who has started a well just 330 ft. from our north line, which will be a direct offset to our well.

I regret that I have to bother you with this, but it seems that we are being discriminated against by the selective purchase of just one companies oil from a common field, as all these wells are producing from the same sand.

Hoping that you may be able to help us out in this matter, and that I will hear from you soon, I remain

Yours sincerely,

SOUTHWESTERN, INC.

T.J. Hollis
President

TJH/bh

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 21, 1960

C
O
P
Y

Cactus Petroleum, Inc.
Box 12385
Houston 17, Texas

Attention: Mr. T. D. Jenkins

Gentlemen:

With further reference to our telephone conversation this morning, you are hereby directed to purchase oil from the Southwestern Inc., CEM Federal 1-B, Section 29, Township 19 South, Range 31 East, Eddy County, New Mexico.

It has been established that your company has been purchasing oil from the wells of Sun Oil Company located within and adjacent to the North Hackberry-Yates Pool. It is felt by our geologist that the above-described Southwestern well is producing from the same common source of supply and he has proposed an extension to the North Hackberry-Yates Pool to include this well within these boundaries.

As mentioned in our telephone conversation this morning, you will receive in a few days an order directing you to purchase oil from the Hale & Hale wells and the Featherstone wells in the Culvin Pool.

Yours very truly,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

cc: M. L. Armstrong - Artesia, N.M.
John Runyan - Hobbs, New Mexico
Jack Campbell - Roswell, N.Mex.
Harvey Yates - Artesia, N. Mex.
H. N. Sweeney - Roswell, N. Mex.
Southwestern - Lovington, N.Mex.