STERN UN CLASS OF SERVICE SYMBOLS DL=Day Letter This is a fast message NL=Night Letter unless its deferred charactet is indicated by the ГELEGRAM 1201 LT=International Letter Telegram proper symbol. W. P. MARSHALL, PRESIGENTS The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of destination TA178 KB326 K TUAG 14 PD=FAX TUESAOKEA 43 537PMC= A L PORTER= Reg. Ne SUPERVISOR AND PRORATION MEXICO MGR NEW GAS COMMISSION SANTA FE NMEX= EFFECTIVE 7 AM MARCH 1960 DUE TO SUBSTANTIAL REDUCTION IN REQUIREMENTS AT REFINERTES WHICH WE SUPPLY WE ARE FORCED TO CURTATE OUR PURCHASES OF CRUDE OTE WE WILL AS OF MARCH 1 1960 REDUCE OUR PURCHASES OF CRUDE OTE FROM LEASES IN NEW MEXICO TO P PER CENT OF ACTUAL JANUARY 1960 RUNS EXCLUDING THOSE LLS CAPABLE OF MAKING 10 B/D Jose 1922 OB LESS AND WATERFLOODS= R F PTELSTICKER PRESTDENT INDIANA OTL PURCHASING CONT THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

INDIANA OIL PURCHASING COMPANY

POST OFFICE BOX 591

TULSA 2, OKLAHOMA

R. F. PIELSTICKER PRESIDENT

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April 11, 1960

Mr. A. L. Porter, Jr. Secretary - Director Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

Dear Mr. Porter:

We have your letter of March 29 requesting certain information which you feel is pertinent to the question of our prorating our purchases in New Mexico and other states.

We have shown below the information which you requested in those cases where it was possible for us to supply it. For the sake of convenience we have in each case repeated the question as you asked it in your letter.

1. "What is the total amount of crude oil (in barrels) purchased by your company in each state in which it purchases for each month from and including January, 1960?"

The following table shows our total lease purchases by states:

	Barr	els
	January	February
		970 010
Arkansas	982,328	879,019
Colorado	378,200	362,065
Kansas	1,245,797	1,166,786
Louisiana	563,890	581,218
Montana	35,836	35,902
Nebraska	417,512	407,965
New Mexico	1,745,796	1,625,102
North Dakota	1,429,314	1,225,174
Oklahoma	734,545	705,048
Texas	8 ,025, 683	7,741,811
Utah	112,499	114,376
Wyoming	2,386,690	2,370,170

Mr. A. L. Porter, Jr. April 11, 1960 Page 2:

> 2. What was the total number of wells from which your company purchased crude oil in each state from and including January, 1960?"

Our purchases of crude oil are gathered by many common carrier pipelines which are connected to lease and unit tankage. We do not have information relative to the number of wells involved in these leases and units.

3. "What is the total amount of crude oil (in barrels) for which your company nominated in each state for each month from and including January, 1960?"

Our nominations were as follows:

	Barrels			
	January	February	March	April
Kansas	1,333,000	1,247,000	1,333,000	1,026,000
Louisiana	576,600	539,400	576,600	474,000
New Mexico	1,240,000	1,160,000	1,240,000	1,020,000
North Dakota	1,441,500	1,305,000	1,364,000	1,335,000
Oklahoma	775,000	725,000	620,000	600,000
Texas	7,936,000	7,685,000	7,378,000	6,780,000

4. "What percentage of crude oil purchased by your company in January, 1960 was produced by Pan American Petroleum Corporation or any other company affiliated with Standard Oil Company (Indiana)?"

This is practically impossible to obtain precisely, but we would estimate it in the neighborhood of 20% of our total purchases.

5. "What were the crude runs to refineries owned or operated by Standard Oil Company (Indiana) or its affiliates during each month from and including January, 1960?"

These were as follows:

	Barrels
January	19,831,196
February	16,379,229

6-A. "What were the crude oil and four major product stock levels held by Standard Oil Company (Indiana) and its affiliates at the beginning of each month from and including January, 1960?"

In reply to this question we submit the following data, which has previously been made public:

Mr. A. L. Porter, Jr. April 11, 1960 Page 3:

	Barrels		
	November 1	March 1 Estimate	
Crude	31,875,000	29,900,000	
Gasoline	15,820,000	20,364,000	
Kerosene	3,895,000	2,512,000	
Distillate	10,535,000	6,286,000	
Residual	2,285,000	2,132,000	

6-B. "What portion of each of these stocks constitutes pipeline fill, tank bottoms, and other normally unavailable inventory?"

	Per Cent	
	November 1	March 1 Estimate
Crude	26.8	29.7
Gasoline	30.6	25.5
Kerosene	8.2	21.0
Distillate	17.4	23.5
Residual	39.8	42.7

7-A. "What was the level of stocks of crude oil and four major products desired by Standard Oil Company (Indiana) and its affiliates at the beginning of each month from and including January, 1960?"

In reply to this question we submit the following:

	Barrels		
	November 1	March 1 Estimate	
Crude	31,000,000	28,000,000	
Gasoline	17,600,000	20,222,000	
Kerosene	5,100,000	2,229,000	
Distillate	11,500,000	4,418,000	
Residual	2,700,000	1,990,000	

7-B. "What portion of each of these desired levels would constitute pipeline fill, tank bottoms, and other normally unavailable inventory?"

	Per Cent		
	November 1	March 1 Estimate	
Crude	27.5	31.6	
Gasoline	27.6	25.7	
Kerosene	6.2	23.6	
Distillate	15.9	33.4	
Residual	33.4	45.7	

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Mr. A. L. Porter, Jr. April 11, 1960 Page 4:

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8. "In those states which do not have market demand prorationing, how does your company determine how much oil per day it will purchase from any well or lease?"

The amount of oil we buy in states where there is no state proration is determined by the month-to-month requirements of our customers for the particular grades and types of crude available.

As stated to you at the last hearing in New Mexico, we feel that the answers to these questions have no pertinent bearing on our demand for New Mexico crude oil. Moreover, in submitting answers to your questions we consider that most of the information is of a confidential nature and respectfully request that the Commission treat it as such.

Very truly yours,

R. M. Milstuker

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

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March 4, 1960

Mr. Robert Pielsticker Indiana Oil Purchasing Company P. O. Box 591 Tulsa, Oklahoma

Dear Sir:

We enclose herewith two copies of Erergency Order No. E-24 issued by this Commission on this date.

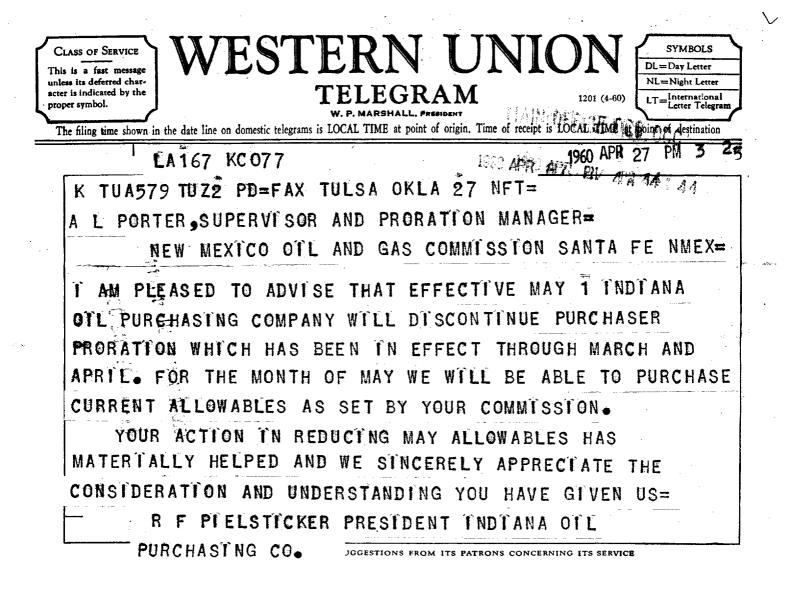
Very truly yours.

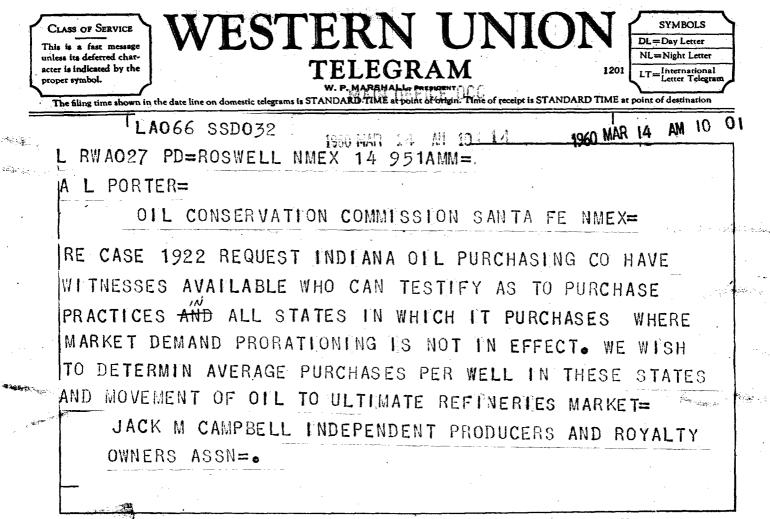
A. L. PORTER, Jr. Secretary-Director

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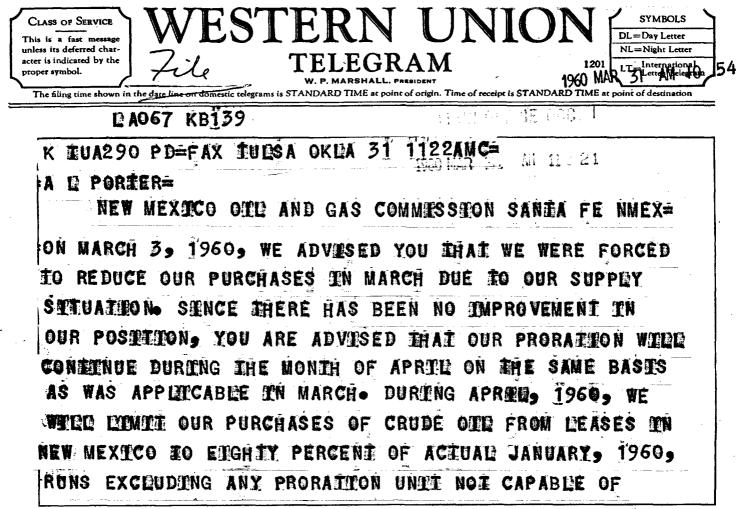
Enclosures: (2)

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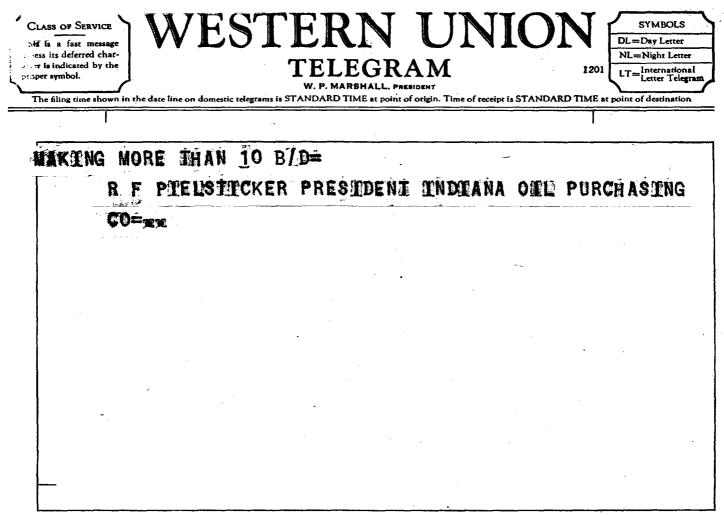




THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



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INDIANA OIL PURCHASING COMPANY

TULSA, OKLAHOMA

REQUEST THAT INDIANA HAVE WITNESS AVAILABLE WHO CAN TESTIFY AS TO ITS FURCHASE PRACTICES IN ALL STATES WHERE MARKET DEMAND PRORATIONING IS NOT IN EFFECT. WOULD LIKE TO DETERMINE HOW PER WELL PURCHASES IN THOSE STATES COMPARE WITH SAME IN NEW MEXICO AND OTHER PRORATED STATES.

A. L. PORTER, JR. OIL CONSERVATION COMMISSION