

THE OHIO OIL COMPANY

P. O. Box 2107
Hobbs, New Mexico

February 20, 1961

U. S. Smelting, Refining
and Mining Company
Box 1877
Midland, Texas

Gentlemen:

Submitted herewith is a copy of an application to the New Mexico Oil Conservation Commission requesting authority to dually complete The Ohio Oil Company's Lea Unit, Well No. 4, located in Section 11, Township 20-S, Range 34-E, Lea County, New Mexico.

It is respectfully requested that you waive objection to the proposed dual completion by signing the two enclosed copies of this letter, and forwarding one copy to the New Mexico Oil Conservation Commission and returning the second copy to us at your earliest convenience. Enclosed, for your convenience are addressed, stamped envelopes.


Yours very truly,

THE OHIO OIL COMPANY



T. O. Webb
Area Petroleum Engineer

Objection Waived February 28, 1961


U. S. Smelting, Refining and
Mining Company

The Ohio Oil Co.

P. O. BOX 3128

HOUSTON 1, TEXAS

Case 2206

February 9, 1961

Re: Lea-Devonian Pool and Lea-Bone Springs Pool
in Township 20 South, Ranges 34 and 35 East,
N.M.P.M., Lea County, New Mexico

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

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

Gentlemen:

The Ohio Oil Company, Operator of the Lea Unit created by Unit Agreement for the Development and Operation of the Lea Unit Area heretofore approved by Lea Unit Agreement Order No. R-1540 dated November 30, 1959, in Case No. 1823, acting with the concurrence of the other working interest owners in said Unit, hereby applies for authority to transfer allowables within the Lea Unit Area to the extent and in the manner hereinafter requested.

Applicant hereby requests authority to transfer the allowable of any well or wells now or hereafter completed within the Lea Unit in the Devonian formation, to any other well or wells now or hereafter completed within the Lea Unit in the Devonian formation, whenever, for whatever period of time and to whatever extent such transfer of allowable is, in the opinion of the Operator of the Lea Unit, necessary or advisable in connection with the taking of interference tests in the Devonian formation, subject, however, to the following restrictions:

- (1) Such authority to transfer allowables shall be in effect only for the period commencing on March 1, 1961 and extending to and including December 31, 1961.
- (2) No allowable shall be transferred to any well located within 660 feet of the Lea Unit boundary.
- (3) If any party's share of oil or gas produced from such formation by any well or wells from which any such allowable is to be transferred is different from such party's share of oil or gas produced from such formation by any well or wells to which any such allowable is to be transferred, such allowable cannot be so transferred without the consent of such party unless the Lea Unit working interest owner or owners desiring to transfer the allowable agree to account to such party for the oil and gas produced from such formation by said wells as though the allowable were not transferred.

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Applicant further requests authority to transfer the allowable of any well or wells now or hereafter completed within the Lea Unit in the Bone Springs formation, to any other well or wells now or hereafter completed within the Lea Unit in the Bone Springs formation, whenever, for whatever period of time and to whatever extent such transfer of allowable is, in the opinion of the Operator of the Lea Unit, necessary or advisable in connection with the taking of interference tests in the Bone Springs formation, subject, however, to the three restrictions set out above.

The authority to transfer allowables as herein requested is necessary to afford Unit Operator a reasonable opportunity to attempt the taking of effective interference tests within the respective formations identified above in accordance with the desires of the Commission as expressed in Order No. 1826, Case No. 2118, and Order No. 1827, Case No. 2119. The correlative rights of all interested parties will be adequately protected if the requested authority is granted subject to the restrictions stated above, and it is reasonable to expect that the proposed interference tests may provide additional information concerning the respective formations, which will aid in the prevention of waste and the protection of correlative rights.

The Ohio therefore requests that this application be set for hearing before the Commission, or an Examiner of the Commission, at the earliest possible date, and that notice be given as requested by the applicable laws and regulations. A list of the interested parties now known to applicant is attached.

Very truly yours,

THE OHIO OIL COMPANY

By 
J. O. Terrell Couch

TC:MK

c - Mr. E. S. Johnny Walker
Commissioner of Public Lands
P. O. Box 791
Santa Fe, New Mexico

Mr. John Anderson
Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

List of Interested Parties known to Applicant
re: Foregoing Application

W. G. Ross and wife, Vee K. Ross
P. O. Box 1094
Midland, Texas

Jake L. Hamon
5th Floor Vaughn Building
1712 Commerce Street
Dallas 1, Texas

Edwin B. Cox
2100 Adolphus Tower
Dallas, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

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

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

Drilling & Exploration Co., Inc.
Box 35366, Airlawn Station
Dallas 35, Texas

Mr. John Anderson
Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

Mr. E. S. Johnny Walker
Commissioner of Public Lands
P. O. Box 791
Santa Fe, New Mexico

Mr. and Mrs. W. H. Milner
609 S. Lea
Roswell, New Mexico

Martha Featherstone
236 Petroleum Building
Roswell, New Mexico

Harvey E. Roelofs
Trustee for Olen F. Featherstone, II
c/o Olen F. Featherstone
236 Petroleum Building
Roswell, New Mexico

Edith M. Kasper and husband, Paul Kasper
P. O. Box 1094
Midland, Texas

Dorothy E. Cox McCormick and husband,
Don G. McCormick
c/o Reese, McCormick, Lusk & Paine
3 Bujac Building
112 North Canyon
Carlsbad, New Mexico

L. N. Hapgood and wife, Mary C. Hapgood
P. O. Box 966
Casper, Wyoming

E. F. Howe and wife, Frances E. Howe
c/o New Mexico Bank & Trust
Hobbs, New Mexico

Thomas Joseph Sheehan and wife,
Louise Sheehan
112 West Fairview Boulevard
Inglewood, California

R. R. Herrell
Oil & Gas Properties
P. O. Box 1656
Midland, Texas

Western Oil Fields, Inc.
P. O. Box 1139
Denver, Colorado

Ernest A. Hanson
P. O. Box 852
Roswell, New Mexico

E. B. Todhunter
P. O. Box 852
Roswell, New Mexico

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United States Smelting Mining & Refining Co.
P. O. Box 1877
Midland, Texas

Texaco, Inc.
P. O. Box 1720
Fort Worth, Texas

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico

Herbert Aid Estate
c/o J. T. Sivley
212 Booker Building
Artesia, New Mexico