

SOUTHWEST PRODUCTION COMPANY

207 Petroleum Club Plaza
Farmington, New Mexico

JOSEPH P. DRISCOLL

JOHN H. HILL

March 26, 1962

Mr. A. L. Porter, Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Re: Southwest Production Company's Foutz
State No. 1 well, Section 16, T-29-N,
R-14-W, Cha Cha-Gallup Pool, San Juan
County, New Mexico

Dear Mr. Porter:

Application for Administrative Approval of a non-standard oil proration unit is being made for the above well consisting of 73.89 acres which includes (Lot 1, 33.89 acres NW/4 of SE/4 lying north of the mid-channel of the San Juan River, and all of the NE/4 of the SE/4.

By Order R-2030 two proration units were established, one unit consisting of the west 56.625 acres dedicated at present to the above well, and one unit consisting of the east 56.625 acres of that portion of the SE/4 of Section 16, Township 29 North, Range 14 West, N.M.P.M., San Juan County, New Mexico, lying north of the mid-channel of the San Juan River. However, under the present economic circumstances and rising Gas-Oil Ratios we feel that another well on the east 56.625 acre unit would be uneconomical and ask that we be allowed to re-dedicate the acreage above described to the present well.

We have re-treated this well with 60,000# of sand and expect an increase in production.

Copies of this application are being furnished to all offset operators.

Very truly yours,

Joseph P. Driscoll

JPD:pc

cc: OCC District Office, Aztec, N. M.
Southwest Production Company, 3108 Southland Center, Dallas 1, Texas
Sunray Mid-Continent Oil Co., 200 Petr. Club Plaza, Farmington, N. M.
Grossman & Lockie, 400 Beckland Dr., Farmington, N. M.
Pan American Petroleum Corp., 501 Airport Dr., Farmington, N. M.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*C 100
2538*

March 30, 1962

Southwest Production Company
207 Petroleum Club Plaza
Farmington, New Mexico

Attention: Mr. Joseph P. Driscoll

Gentlemen:

Reference is made to your application, dated March 26, 1962, for administrative approval of a non-standard oil proration unit comprising 73.89 acres lying North of the mid-channel of the San Juan River in Section 16, Township 29 North, Range 14 West, San Juan County, New Mexico.

The Commission is of the opinion that your application is not eligible for administrative approval and is therefore setting it for hearing before one of the Commission's examiners on April 25, 1962.

If I can be of further assistance to you in this matter, please advise.

Very truly yours,

J. E. WHITFIELD
Legal Assistant

JEW/esr

*Robert
Maid
4/12/62*

C
O
P
Y

State of New Mexico
Oil Conservation Commission



May 8, 1962

Re: Case No. 2538
Order No. R-2030-A
Applicant:

SOUTHWEST PRODUCTION COMPANY

Very truly yours,

A. L. Porter, Jr.

Hobbs OCC x

Artesia OCC

Aztec OCC x

OTHER

17 11 01112 100

HUMBLE OIL & REFINING COMPANY

CENTRAL REGION

POST OFFICE BOX 120 - DENVER 1, COLORADO

DENVER AREA

JOHN D. KNODELL,
AREA ATTORNEY

1962 APR 18 PM 1 24 April 19, 1962

Oil and Gas Conservation Commission
State of New Mexico
P. O. Box 871
Santa Fe, New Mexico

Re: Application of Southwest Production Company
for a Non-Standard Oil Proration Unit, San
Juan County, New Mexico - Case No. 2538

Gentlemen:

Southwest Production Company has applied for the establishment of a 73.89 acre non-standard oil proration unit in the Cha Cha Gallup Oil Pool, comprising the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 16 and that portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 16, Township 29 North, Range 14 West, lying north of the mid-channel of the San Juan River. Southwest Production Company requests that the unit be dedicated to the Foutz-State Well No. 1 located 1,912 feet from the north line and 2,310 feet from the east line of Section 16.

Humble Oil & Refining Company is Operator of the Northwest Cha Cha Gallup Unit, which unit includes, among other lands, all of that portion of Section 16 which lies south of the mid-channel of the San Juan River. Humble has no objection to the entry of an order establishing the non-standard oil proration unit as requested in the application of Southwest Production Company.

Very truly yours,

John D. Knodell, Jr.

JDK:ch