

DOCKET: REGULAR HEARING - THURSDAY - JUNE 14, 1962
OIL CONSERVATION COMMISSION - 9 A.M., MORGAN HALL, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO

- ALLOWABLE:**
- (1) Consideration of the oil allowable for July, 1962.
 - (2) Consideration of the allowable production of gas for July, 1962, for ten prorated pools in Lea and Eddy Counties, New Mexico. Consideration of the allowable production of gas for nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico for July, 1962, also presentation of purchaser's nominations for the six-month period beginning August 1, 1962 for that area.

CASE 2049: (Reopened)
Application of the Oil Conservation Commission on its own motion to reconsider the special rules and regulations for the Devils Fork-Gallup Pool, Rio Arriba County, New Mexico.

Case 2049 will be reopened pursuant to Order No. R-1670-B to permit interested parties to appear and present testimony relative to the effectiveness of the special rules and regulations for the Devils Fork-Gallup Pool.

CASE 1641: (Reopened)
Application of the Oil Conservation Commission on its own motion to reconsider the special rules and regulations for the Angels Peak-Gallup Oil Pool, San Juan County, New Mexico.

Case 1641 will be reopened pursuant to Order No. R-1410-C to permit interested parties to appear and present testimony relative to the effectiveness of the special rules and regulations for the Angels Peak-Gallup Oil Pool.

CASE 2583: Application of S. P. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the SW/4 SE/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

CASE 2584: Application of Harvey E. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the NE/4 SE/4 of

CASE 2584: (Cont.)

Section 9, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

CASE 2585: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending and abolishing certain existing pools in Lea and Roosevelt Counties, New Mexico.

- (a) Create a new oil pool for Pennsylvanian production, designated as the West Allison-Pennsylvanian Pool, and described as:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 31: NW/4

- (b) Create a new oil pool for Drinkard production, designated as the Goodwin-Drinkard Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM
Section 30: NW/4

- (c) Create a new oil pool for Devonian production, designated as the Monument Draw-Devonian Pool, and described as:

TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM
Section 17: SE/4

- (d) Abolish the East Prairie-Pennsylvanian Pool, described as:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 23: SW/4

- (e) Extend the North Anderson Ranch-Wolfcamp Pool, to include:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 28: N/2 SW/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 1: Lots 4 & 5

- (f) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 36: E/2 NW/4

PSM

LAW OFFICES

LOSEE AND STEWART

CARPER BUILDING - P. O. DRAWER 239

ARTESIA, NEW MEXICO

A. J. LOSEE

EDWARD B. STEWART

1 June 1962

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

Re: Applications of Harvey E. Yates and
S. P. Yates et al for Drilling Loca-
tion within the Potash-Oil Area.

Dear Mr. Porter:

Under date of May 10, 1962 I transmitted triplicate copies of applications of Harvey E. Yates and S. P. Yates et al for approval of drilling locations within the Potash-Oil Area:

1. The NE/4 SE/4 Section 9, Township 19 South,
Range 30 East, N.M.P.M.
2. The SW/4 SE/4 Section 21, Township 19 South,
Range 30 East, N.M.P.M.

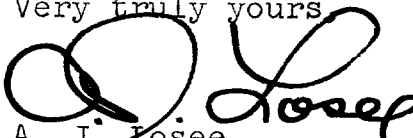
The proposed location of Mr. Harvey E. Yates was included in Federal Oil and Gas Lease NM 02337. We have this date received from Mr. John A. Anderson, Regional Oil and Gas Supervisor, a decision denying the approval of Mr. Harvey E. Yates' Notice of Intention to Drill. A photocopy of this denial is enclosed for your files.

The location of S. P. Yates et al is included in Federal Oil and Gas Lease NM 02041. We have this date received from Mr. John A. Anderson, Regional Oil and Gas Supervisor, a decision denying approval of Mr. S. P. Yates' Notice of Intention to Drill this well. A photocopy of this denial is enclosed for your files.

In view of these decisions of the Geological Survey, it now appears that any decision by the New Mexico Oil Conservation Commission approving either of these locations would be of no force. Accordingly, and on behalf of Mr. Harvey E. Yates and Mr. S. P. Yates, we hereby request that the captioned applications be withdrawn and

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
1 June 1962
Page 2

the pending cases be dismissed. Unless I hear from you to the contrary, I will assume that the June 14, 1962 hearing before the New Mexico Oil Conservation Commission on these two cases has been vacated.

Very truly yours,

A. J. Losee

AJL:jat
Enclosure
cc: Mr. John A. Anderson
Mr. M. L. Armstrong
Mr. T. E. Lusk
Mr. R. H. Blackman
Mr. Harvey E. Yates
Mr. S. P. Yates



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico

May 29, 1962

Mr. Harvey E. Yates
309 Carper Building
Artesia, New Mexico

BEST AVAILABLE COPY

Dear Mr. Yates:

Under date of November 13, 1961, you filed a Notice of Intention to Drill well Federal No. 1 in the NE $\frac{1}{4}$ Sec. 9, T. 19 S., R. 30 E., N.M.P.M., Eddy County, New Mexico, on land included in lease New Mexico 02337, to a depth of 2,350 feet to test the Yates formation.

The proposed location is in the potash area prescribed by the Secretary of the Interior in his order of October 18, 1951, and is also in the area covered by New Mexico Oil Conservation Commission Order No. R-111-A.

In our opinion the drilling of the well would result in undue waste of potash deposits and constitute a hazard to, or unduly interfere with, mining operations being conducted for the extraction of potash deposits.

Pursuant to authority delegated to the Regional Oil and Gas Supervisor on May 10, 1962, 27 F.R. 4814, I hereby deny approval of the Notice of Intention to Drill described in the foregoing.

Very truly yours,

~~JOHN A. ANDERSON~~ JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington
Mr. A. J. Foster, Drawer 239, Artesia



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico

May 29, 1962

S. P. Yates et Al
309 Carper Building
Artesia, New Mexico

BEST AVAILABLE COPY

Gentlemen:

Under date of November 13, 1961, you filed a Notice of Intention to Drill well No. 1 Knox Federal in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 21, T. 19 S., R. 30 E., N.M.P.M., Eddy County, New Mexico, on land included in lease New Mexico 02041.


The proposed location is in the potash area prescribed by the Secretary of the Interior in his order of October 18, 1951, and is also in the area covered by New Mexico Oil Conservation Commission Order No. R-111-A.

In our opinion the drilling of the well would result in undue waste of potash deposits. Accordingly, pursuant to authority delegated to the Regional Oil and Gas Supervisor on May 10, 1962, 27 F.R. 4814, I hereby deny approval of the Notice of Intention to Drill described in the foregoing.

Very truly yours,

(SIGNED) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Mr. A. J. Losee, 
Drawer 1857
Artesia, N. M.



POTASH COMPANY OF AMERICA

MINE AND REFINERY: P. O. BOX 31 • CARLSBAD, NEW MEXICO • TU 5-2111

May 11, 1962

R. H. BLACKMAN
RESIDENT COUNSEL

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


Re: R-111-A - SW/4SE/4 Sec. 21, T.19.S., R.30 E.

Dear Mr. Porter:

Under date of November 22, 1961, we objected to the drilling of an oil and gas test well on the SW/4SE/4 of Section 21, T.19, S.R.30 E.

Mr. A. J. Lossee of Artesia has requested that we waive the arbitration before the Secretary Director of the New Mexico Oil Conservation Commission as provided in Order R-111-A and consent to hearing of the application of his client, Mr. Harvey Yates, at the regular June hearing of the Commission. This letter will evidence our consent to waiver of arbitration, and to hearing the case at the regular hearing on June 14, 1962.

Very truly yours


R. H. Blackman
Resident Counsel

RHB:eh

cc: A. J. Lossee, Attorney-at-Law, Artesia, New Mexico
V. A. Zandon, Southwest Potash Company
T. E. Lusk, Attorney-at-Law, Carlsbad, New Mexico
Donald S. Stubbs
John W. Hall



MEMBER: AMERICAN POTASH INSTITUTE

A. J. LOSEE
EDWARD B. STEWART

LAW OFFICES
LOSEE AND STEWART
CARPER BUILDING - P. O. DRAWER 239
ARTESIA, NEW MEXICO

10 May 1962

Case 7585
Set for
June regular
AM
JUN 11 AM 8:15
LAW OFFICE 000

Mr. Richard Morris, Attorney
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Morris:

In accordance with my telephone conversation with Mr. A. L. Porter, Jr., enclosed you will please find triplicate copies of each of the following:

1. Application of Harvey E. Yates for approval of the NE/4 SE/4 Section 9, Township 19 South, Range 30 East, N.M.P.M., as a drilling location within the Potash-Oil Area.
2. Application of S. P. Yates for approval of the SW/4 SE/4 Section 21, Township 19 South, Range 30 East, N.M.P.M., as a drilling location within the Potash-Oil Area.

We request that this matter be set for hearing before the Commission and understand that the cases will be heard on June 14, 1962. In the event the protestants have no objection to a consolidation for hearing of these two cases, then you may take this letter as the applicant's stipulation for such a consolidation.

With a carbon copy of this letter, we are furnishing each of the protestants with a copy of the application involving their respective potash leases. We are also furnishing the USGS and your Artesia office with copies of this application.

Thank you in advance for your attention to this matter.

Very truly yours,

A. J. Losee
A. J. Losee

checked
mailed
6/1/62
AJL/bk

Enclosures

Mr. Richard Morris, Attorney

-2-

10 May 1962

cc Mr. James Knauf
USGS
Carper Building
Artesia, New Mexico

M. L. Armstrong
Oil Conservation Commission
Artesia, New Mexico

Mr. T. E. Lusk
Attorney at Law
112 N. Canyon
Carlsbad, New Mexico

Mr. R. H. Blackman
Potash Company of America
Box 31
Carlsbad, New Mexico

Yates Petroleum Corporation
309 Carper Building
Artesia, New Mexico

Handwritten signatures and date:
6/11/62