

Case 2584. Psm

MCCORMICK, LUSK AND PAINE
ATTORNEYS AT LAW
BUJAC BUILDING
CARLSBAD, NEW MEXICO

DON G. MCCORMICK
THOMAS E. LUSK
EUGENE C. PAINE
CHARLES A. FREEZER

TUXEDO 5-3144
TUXEDO 5-3145

May 16, 1962

Mr. A. L. Porter, Jr., Secretary
N. M. Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: R-111-A: NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, Township
19 South, Range 30 East, N.M.P.M.

Dear Mr. Porter:

On May 10, 1962, Mr. A. J. Losee wrote Mr. Morris, attorney for the Commission, enclosing triplicate copies of the application of Harvey E. Yates for approval of the above described subdivision as a drilling location within the Potash-Oil Area and the application of S. P. Yates for approval of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 21, Township 19 South, Range 30 East, N.M.P.M., also as a drilling location within such area, requesting that the matter be set for hearing on June 14, 1962, before the Commission and requesting the cases be consolidated in the event the protestants do not object.

Southwest Potash Corporation has filed objection to the application of Harvey E. Yates but consents to the consolidation.

Mr. Losee has further requested waiver of arbitration before the Secretary-Director of the Commission as provided in Order R-111-A and consent to hearing of the consolidated applications at the regular June hearing of the Commission.

This letter constitutes consent of Southwest Potash Corporation to waiver of arbitration and to hearing on the date specified.

Yours very truly,

MCCORMICK, LUSK AND PAINE

By *T. E. Lusk*
T. E. Lusk

*Book to
Mailed
6/1/62*

TEL:bc
cc: Mr. A. J. Losee
Mr. V. A. Zandon
Mr. R. H. Blackman



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

Dear Mr. Yates:

Under date of November 13, 1961, you filed a Notice of Intention to Drill well Federal No. 1 in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ 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,

[Signature]

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Mr. A. L. Porter, Jr., NMOCC, Santa Fe ✓