LAW OFFICES

M HERVEY 1874-1953 HERVEY, DOW & HINKLE HIRAM M DOW

CLARENCE E, HINKLE

W.E. BONDURANT, JR.

GEORGE H, HUNKER, JR.

HOWARD C, BRATTON JR.

S. B, CHRISTY IV

LEWIS C, COX, JR.

PAUL W, EATON, JR.

CONRAD E. COFFIELD HAROLD L. HENSLEY, JR.

January 25, 1963

AREA CODE 505

POST OFFICE BOX 10

Mr. A. L. Porter, Jr. Secretary-Director New Mexico Oil Conservation Commission State Land Office Building Santa Fe, New Mexico

Re: Getty Deep Unit Agreement

Dear Mr. Porter:

We enclose herewith in triplicate application of the Odessa Natural Gasoline Company for approval of the Getty Deep Unit Agreement, Eddy County, New Mexico, together with three copies of the proposed form of Unit Agreement.

Please have this matter set down for hearing at the first examiner's hearing after allowing the proper time for publication of notice. Please send us a copy of the notice of hearing.

Yours very truly,

HERVEY, DOW & HINKLE

CEH: ev

Encls.

Mr. W. T. Edwards Odessa Natural Gasoline Company Box 3908 Odessa, Texas

Estate 2. + to - dear Companion

W/Cy Application

DOCKET MAILED



POTASH COMPANY OF AMERICA

MINE AND REFINERY: P. D. BOX 31 . CARLSBAD, NEW MEXICO TIME -2

February 15, 1963

R. H. BLACKMAN RES.DENT COUNSEL

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

Case Ma758

Re: #2758

Application of Odessa Natural Gasoline Company for Approval of Unit Agreement.

Dear Pete:

Odessa Natural Gasoline Company has applied for approval of a unitization agreement for certain land in Township 20 South, Range 29 East in Eddy County. The property is within the oilpotash area as defined in Order No. R-111-A in Case No. 278.

If the approval order in some appropriate manner recognizes that that order still applies to the property, we would have no objection to approval of the unitization agreement. Language such as, "approved subject to the provisions of Order No. R-111-A in Case No. 278 and all other applicable rules, regulations and orders of the Commission" is suggested.

I will not be able to be present at the hearing on February 21 since I must travel to Washington next week. I hope that this will not be too much inconvenience.

Sincerely,

RHB/b



MEMBER: AMERICAN POTASH INSTITUTE

GOVERNOR JACK M. CAMPBELL CHAIRMAN

State of New Atexico

Bil Conserbation Commission

E. S. JOHNNY WALKER
MEMBER



STATE GEOLOGIST

A. L. PORTER, JR.

SECRETARY - DIRECTOR

February 22, 1963

Mr. Howard Bratton Hervey, Dow & Hinkle Attorneys at Law Post Office Box 10 Roswell, New Mexico

Re: Case No. 2758
Order No. R-2431
Applicant:

Odessa Natural Gasoline Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

Carbon copy of order also sent to:

Hobbs OCC ____x

Artesia OCC___x

Aztec OCC ____

OTHER ____Mr. Roy Blackman

ODESSA NATURAL GASOLINE COMPANY

AMERICAN BANK OF COMMERCE BUILDING POST OFFICE BOX 3908 ODESSA, TEXAS

February 22, 1963

New Mexico Oil Conservation Commission State Land Office Building Santa Fe, New Mexico

RE: Getty Deep Unit

Eddy County, New Mexico

Attention: Mr. E. A. Utz

Dear Sir:

Enclosed are copies of cross section which are a part of a geological report submitted by Odessa Natural Gasoline Company in connection with the formation of the Getty Unit.

Yours very truly,

ODESSA NATURAL GASOLINE COMPANY

M. T. JOHNSON

MTJ: jan

Enclosures

LAW OFFICES

J M HERVEY 1874-1953

HIRAM M. DOW
CLARENCE E HINKLE
W.E. BONDURANTAR,
GEORGE H. HUNKER, UR.
HOWARD E-BRATTON
S. B. CHRISTY IV.
LEWIS C.COX, UR.
PAUL W. EATON, UR.

March 12, 1963

TELEPHONE 622-6510

AREA CODE 505

POST OFFICE BOX 10

New Mexico Oil Conservation Commission P. O. Box 1721 Santa Fe, New Mexico

Re: Getty Deep Unit Agreement - Case No. 275

Gentlemen:

CONRAD E. COFFIELD HAROLD L. HENS_EY, JR.

In the above case a copy of the proposed Unit Agreement was introduced. A typographical error was found on page 10, and a revised page 10 has been prepared. Will you please substitute the enclosed copies of that revised page 10 in the Unit Agreement in your possession.

Very truly yours,

HEPVEY, DOW & HINKLE

Howard C. Bratton

HCB:1m

Enclosures

103 MIR 15 M 9 19

9. DRILLING TO DISCOVERY. Within 6 months after the effective date hereof, the Unit Operator shall begin to drill an adequate test well at a location approved by the Supervisor, unless on such effective date a well is being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the Devonian formation has been tested; provided, however, that Unit Operator shall not in any event be required to drill said well to a depth in excess of 13,200 feet. Until the discovery of a deposit of unitized substances capable of being produced in paying quantities to-wit: quantities sufficient to repay the costs of drilling, and producing operations, with a reasonable profit, the Unit Operator shall continue drilling diligently one well at a time, such wells as shall be approved by the Supervisor, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5 hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Director may modify the drilling requirements of this section by granting reasonable extensions of time when, in his opinion, such action is warranted.

9. DRILLING TO DISCOVERY. Within 6 months after the effective date hereof, the Unit Operator shall begin to drill an adequate test well at a location approved by the Supervisor, unless on such effective date a well is being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the Devonian formation has been tested; provided, however, that Unit Operator shall not in any event be required to drill said well to a depth in excess of 13,200 feet. Until the discovery of a deposit of unitized substances capable of being produced in paying quantities to-wit: quantities sufficient to repay the costs of drilling, and producing operations, with a reasonable profit, the Unit Operator shall continue drilling diligently one well at a time, such wells as shall be approved by the Supervisor, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5 hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Director may modify the drilling requirements of this section by granting reasonable extensions of time when, in his opinion, such action is warranted.

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JOHN BEN SHEPPERO SECY-TREAS.

H. G. MCBEE ASST SECY-TREAS.

ODESSA NATURAL GASOLINE COMPANY

AMERICAN BANK OF COMMERCE BUILDING
POST OFFICE BOX 3908

ODESSA, TEXAS

May 3, 1963

2758

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
State Land Office Bldg.
Santa Fe, New Mexico

RE: Getty Deep Unit, Eddy Co., N. M. Case No. 2758, Order No. R-2431

Dear Mr. Porter:

Enclosed is a copy of Unit Agreement which has been approved by the Director of the United States Geological Survey.

Thank you for your cooperation on this application.

Sincerely,

W. T. Edwards

WTE..;

Enclosure



UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY



Drawer 1857 Roswell, New Mexico

April 26, 1963

Memorandum

To:

Chief, Conservation Division

Through: Chief, Branch of Oil and Gas Operations

From:

Regional Oil and Gas Supervisor, Roswell, New Mexico

Subject: Cetty Deep unit area, Eddy County, New Mexico

Mr. W. T. Edwards, of Odesse Natural Gasoline Company, advised me by telephone today that the Getty Deep unit agreement, Eddy County, New Mexico, was approved by the Director, Geological Survey, on April 25.

I informed Mr. Roy Blackman, of Potash Company of America, that the unit agreement had been approved and he informed me that Potash Company of America's protest to the drilling of a well in the SWESWE sec. 24, T. 20 S., R. 29 E., in the Getty Deep unit area would be withdrawn as soon as he receives Odessa's amended Notice of Intention to Drill. Mr. R. E. Billman, of National Potash Company, also has informed me that National Potash Company will withdraw its protest to the drilling of the well identified above upon the receipt of the amended Notice of Intention to Drill. The amendment of such notice will provide for the setting of an intermediate casing string at 5,000 feet rather than at 4,000 feet.

Apparently, all objections to the drilling of a well in the Getty Deep unit ares to test the Devonian, or to a depth of 13,200 feet, have now been resolved.

(Orig. Sara) JOHN A. AMBINDAN

JOHN A. ANDERSON

Copy to: Washington

Mining Supervisor Fulton, Carlsbad Mr. Porter, O.C.C., Santa Fe ~

Artesia



UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

Drawer 1857 Roswell, New Mexico 88201

March 26, 1968

Odessa hatural Gasoline Company P. O. Box 3908 Odessa, Texas 79760

Attention: Mr. Roland L. Hamblin

Gentlemen:

60 liAR 27 EH &

The Getty Deep unit agreement, No. 14-08-0001-8514, Eddy County, New Hexico, was approved and effective on April 25, 1963, for a period of five years and so long thereafter as unitized substances are produced in paying quantities unless sooner terminated as provided for in the unit agreement.

One well, Odessa Natural Gasoline Company's Federal Dooley No. 1 in the SWM sec. 24, T. 20 S., R. 29 E., has been drilled under the terms of the unit agreement. The well was drilled to a total depth of 13,415 feet and then plugged back to complete in the Morrow formation 12,102 to 12,229 feet. The well was tested from the Morrow at a calculated open flow potential rate of 16,600 MCFGPD on October 19, 1963. By letter of June 25, 1965, this office concurred in your determination, as unit operator, that the well was incapable of producing unitized substances in paying quantities as defined by Section 9 of the unit agreement. All production from the well was allocated on the basis of the 360-acre nonstandard proration unit established by the New Mexico Oil Conservation Commission's Order No. R-2941. The well continued to produce through April of 1967, at which time the gas purchaser discontinued taking from the well because of the high water content of the gas. Inasmuch as the reservoir calculations of recoverable gas reserves showed the well would not pay out, the additional expense of removing and disposing of this water was not justified and the well was subsequently plugged and abandoned on September 20, 1967. Cumulative recovery from the well was 514,335 MCF of gas and 1,964 barrels of condensate.

In view of these circumstances, the Getty Deep unit agreement will expire on April 24, 1968, the end of the five-year term, as provided in the first paragraph of Section 20 of the unit agreement. Accordingly, you are requested to prepare a notice of such automatic termination of the unit agreement and to furnish copies of such notice to the

Director, the New Mexico Oil Conservation Commission, and to each signatory party to the unit agreement as soon as practicable after April 24, 1968.

Sincerely yours,

Can. 22 / 1911 . A. 1838

JOHN A. ANDERSOR Regional Oil and Gas Supervisor

cc: Washington Artesia NMOCC, Santa Fe-Accounts Stauffer

JUN 4 - 1968

Olessa Katural Casoline Company Post Office Box 3988 Cdessa, Texas 79760

Gentlemen:

Receipt is acknowledged of your notice of May 14, 1968, wherein it was noted that the Getty Deep unit agreement, No. 14-08-0001-8514. in Eddy County, New Mexico, terminated automatically on April 24. 1968, pursuant to section 20 of the unit agreement.

Copies of the notice are being distributed to the Federal agencies concerned in order that their records will reflect the termination of the Getty Deep unit agreement effective as of April 24, 1968.

Sincerely yours,

Athun A Baker

Acting Director

cc: Roswell (w/2 copies of notice)

COPY TO ARTESIA
" " NMOCE
" " COMM PAB. L.

CAIN OFFICE

*60 JUN 24 AH 10 20

NOTED JUN 21 1968 STAUFFER

CERTIFICATION - DETERMINATION

14-08-0001 8514

Pursuant to the authority vested in the Secretary of Interior as to Federal Lands, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C.F.R. Sec. 4.611, 12 F.R. 6784, I do hereby:

- A. Approve the attached agreement for the development and operation of the Getty Deep Unit Area, Eddy County, State of New Mexico.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.
- C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

solling Ar Baker

APR 2 5 1963

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Director, United States Geological Survey Washington 25, D. C.

A. L. Porter, Jr., Secretary-Director Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: NOTICE OF TERMINATION
Getty Deep Unit
14-08-0001-8514
Eddy County, New Mexico

Gentlemen:

On April 25, 1963, by a Certification-Determination, Arthur S. Baker, Acting Director of the United States Geological Survey, approved the above Unit Agreement, effective as of the date of his approval.

By Order No. R-2431 in Case No. 2758, the Oil Conservation Commission of the State of New Mexico approved the formation of the above Unit Agreement.

The Initial Unit Well, known as the Dooley Federal #1 Well has been drilled and was completed as a gas distillate in the Morrow formation. This well was determined to be non-commercial. No participating area was formed and the proceeds from this well was allocated on a lease basis to a 360 acre non-standard gas proration unit. On September 20, 1967, the well was plugged and abandoned.

Article 20 EFFECTIVE DATE AND TERM of the Unit Agreement provides "This Agreement shall become effective upon approval by the Secretary or by his duly authorized representative and shall terminate five (5) years from effective date unless":

- (a) The expiration date is extended by the Director.
- (b) The Unit Agreement is terminated by the Director before 5 years.
- (c) A valuable discovery of unitized substances has been made and the unit is extended by production.

NOTICE OF TERMINATION Getty Deep Unit 14-08-0001-8514 Eddy County, New Mexico Page two.

None of these contingencies has occurred. Therefore, Odessa Natural Gasoline Company, as Unit Operator for the Getty Deep Unit, hereby gives official notice to all parties concerned that the Getty Deep Unit has automatically terminated under the provisions of Article 20. The effective date of termination is April 24, 1968, five (5) years from the effective date of the unit. Copies of this notice are being sent to all working interest owners and all royalty owners of record.

Yours very truly,

ODESSA NATURAL GASOLINE COMPANY

Roland L. Hamblin

RLH:ff

cc:

Getty Oil Company
P. O. Box 1404
Houston, Texas
Attention: Mr. T. L. Roberts

Getty Oil Company
P. O. Box 1231
Midland, Texas

Attention: Mr. Clayton Powless

Mr. J. Paul Getty c/o Skelly Oil Company P. O. Box 1650 Tulsa 2, Oklahoma

Texaco, Inc. P. O. Box 3109 Midland, Texas

Amarillo Oil Company P. O. Box 151 Amarillo, Texas

Apache Corporation 823 South Detroit Tulsa, Oklahoma

Dixilyn Corporation P. O. Box 3427 Odessa, Texas

Mr. H. P. Grimm 176 North Mansfield Avenue Los Angeles, California James R. Sowell Suite 1617 211 North Ervay Building Dallas I, Texas

Jason B. Sowell 2315 Adolphus Tower Dallas, Texas

North Central Oil Corporation 608 Fannin Street Houston 2, Texas

Fred H. Cambell 1022 Franklin Street Whittier, California

Ada A. Nichols 106 West Oliver Street Roswell, New Mexico

Albuquerque National Bank, Testamentary Trustee of Frank A. Andrews, deceased Albuquerque, New Mexico

C. Ray Holbrook P. O. Box 6127 Bakersfield, California

Marshall & Winston, Inc. 1054 Broton Avenue Los Angeles, California

Joseph D. Ambrose Fair Building Fort Worth 2. Texas