

Case No.

7356

Application

Transcripts.

Small Exhibits

ETC

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
16 December 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S&I Oil Company  
for compulsory pooling, San Juan  
County, New Mexico.

CESE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 HEARING OFFICER: We will call next case,  
3 7356, application of S & I Oil Company for compulsory pooling,  
4 San Juan County, New Mexico.

5 I wonder if this has been heard, one  
6 of those heard last time.

7 MR. PEARCE: This says 'continued' on  
8 mine.

9 HEARING OFFICER: We will temporarily  
10 hold 7356 and go ahead then with Case 7446.

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12 \* \* \* \* \*

13  
14 HEARING OFFICER: Hearing will please  
15 come to order. We will call next case, 73 -- oh, we have  
16 already called 7356, and during the break I received a re-  
17 quest from the applicant that the case be dismissed, and  
18 it shall be.

19 (WHEREUPON, Case Number 7356  
20 was dismissed.)  
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THIS IS A VERBATIM COPY OF MR. ALEX PADILLA'S  
TRANSCRIPT SUBMITTED HERewith.

SWB

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 7356  
heard by me on 12-16 1981.  
Richard L. [Signature] Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
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19 (WHEREUPON, Case Number 7356  
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SWB

I do hereby certify that the foregoing is  
a correct and true transcript of the proceedings in  
the Examiner hearing of Case no. \_\_\_\_\_  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division



BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

December 29, 1981

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Mr. Damon L. Weems  
Weems, Birdsall & Holmes  
Attorneys at Law  
2901 East 20th Street  
Farmington, New Mexico 87401

Re: CASE NO. 7356  
ORDER NO. R-6863

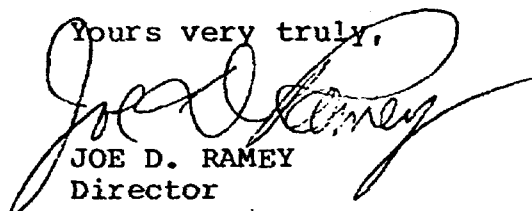
Applicant:

S & I Oil Company

Dear Sir:

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

Yours very truly,

  
JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x  
Artesia OCD x  
Aztec OCD x

Other \_\_\_\_\_  
\_\_\_\_\_



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7356  
Order No. R-6863

APPLICATION OF S & I OIL COMPANY  
FOR COMPULSORY POOLING, SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 16, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of December, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

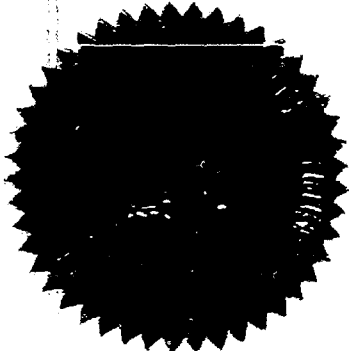
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

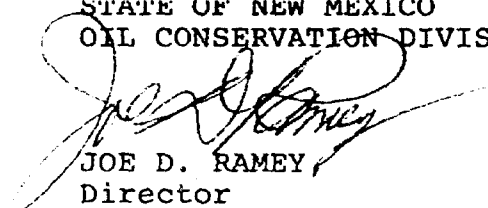
That Case No. 7356 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
19 November 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S&I Oil Company for  
compulsory pooling, San Juan County,  
New Mexico.

CASE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearco, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 MR. STAMETS: We'll call next Case 7356.

3 MR. PEARCE: Application of S&I Oil  
4 Company for compulsory pooling, San Juan County, New Mexico.

5 MR. STAMETS: At the request of the  
6 applicant this case will be continued until the December  
7 16th Examiner Hearing.

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9 (Hearing concluded.)  
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## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
 the foregoing Transcript of Hearing before the Oil Conserva-  
 tion Division was reported by me; that the said transcript  
 is a full, true, and correct record of the hearing, prepared  
 by me to the best of my ability.

*Sally W. Boyd CSR*

I do hereby certify that the foregoing is  
 a correct and true transcript of the hearing  
 held before the Oil Conservation Division on 7356  
 heard by 11-19-81.

*R. L. Stamm*, Examiner

Oil Conservation Division

*Richard L. Stamm*

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
 Santa Fe, New Mexico 87501  
 Phone (505) 455-7409

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
19 November 1981

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MR. STAMETS: At the request of the  
applicant this case will be continued until the December  
16th Examiner Hearing.

(Hearing concluded.)

## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a correct and true transcript of the hearing held in  
the Oil Conservation Division of Case No. \_\_\_\_\_  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

Dockets Nos. 1-82 and 2-82 are tentatively set for January 6, and January 20, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 16, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for January, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7439:** Application of Bass Enterprises Production Company for an amendment of Division Order No. R-6776, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6776 which authorized the directional drilling of its James Ranch Well No. 13 in Section 36, Township 22 South, Range 30 East, to provide for an amended surface location 1440 feet from the North line and 860 feet from the West line of Section 6, Township 23 South, Range 31 East.
- CASE 7440:** Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SW/4 NE/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7441:** Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 NW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7442:** Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the SE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7443:** Application of Dalton H. Cobb for compulsory pooling, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 of Section 20, Township 8 North, Range 22 East, to be dedicated to a well drilled at a standard location thereon. Also to be considered will be the cost of re-entering and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in re-entering said well.
- CASE 7444:** Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Penn formations underlying the E/2 of Section 30, Township 18 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7445:** Application of Harvey E. Yates Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier Well No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.



CASE 7410: (Continued from November 19, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from November 19, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7423: (Continued from November 19, 1981, Examiner Hearing - This Case will be dismissed)

Application of Conoco, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinberry oil and gas pool by the injection of water into the Blinberry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.

CASE 7448: Application of Energy Reserves Group, Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

CASE 7449: Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7446: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting, and extending vertical and horizontal limits of certain pools in San Juan, Rio Arriba, McKinley, and Sandoval Counties, New Mexico:

(a) That the South Gallegos Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby abolished.

(b) That the South Gallegos Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 24: SE/4

Section 25: E/2

(c) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 36: W/2 SW/4

(d) That the South Gallegos-Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
 Section 2: S/2  
 Section 3: SE/4  
 Section 10: NE/4  
 Section 13: W/2

and the vertical limits of said pool are hereby extended to include the Pictured Cliff formation and said pool is redefined as the South Gallegos-Fruitland -Pictured Cliffs Gas Pool.

(e) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Nacimiento production, is hereby created and designated as the Gavilan Nacimiento Pool, comprising the following described area:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM  
 Section 6: SW/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM  
 Section 1: SE/4  
 Section 12: W/2

(f) That the Actec Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, described and defined, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
 Section 30: SE/4  
 Section 31: NE/4

(g) That the Actec Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
 Section 12: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM  
 Section 7: SE/4  
 Section 21: NW/4 and SE/4  
 Section 28: E/2

(h) That the BS Mesa Gallup Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM  
 Section 1: NW/4  
 Section 2: All  
 Section 6: SW/4

(i) That the Beautiful Mountain Mississippian Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby redesignated the Beautiful Mountain Mississippian Gas Pool and is extended to include:

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM  
 Section 32: N/2 S/2 and SW/4 SW/4 and SE/4 SE/4

(j) That the Ballard Pictured Cliffs Gas Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM  
 Section 24: NE/4

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM  
 Section 15: SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM  
 Section 35: S/2

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM  
 Section 9: NE/4  
 Section 14: NW/4 and SE/4

(k) That the Bisti Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM  
 Section 6: N/2 NE/4

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM  
 Section 31: SE/4

(l) That the Blanco Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM  
 Section 3: SE/4  
 Section 10: NE/4

(m) That the Blanco Mesa Verde Gas Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM  
 Section 4: S/2  
 Section 5: S/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM  
 Section 10: W/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM  
 Section 14: S/2  
 Section 25: All  
 Section 26: All  
 Section 35: All  
 Section 36: All

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM  
 Section 2: S/2  
 Sections 7 to 16: All  
 Section 22: All

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM  
 Section 22: N/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM  
 Section 13: W/2  
 Section 14: All  
 Section 23: N/2  
 Section 24: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
 Section 23: N/2

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM  
 Section 30: W/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM  
 Section 14: All  
 Section 15: E/2  
 Section 23: All

(n) That the Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM  
 Section 17: NW/4  
 Section 18: SE/4

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

Section 3: W/2  
Section 4: E/2  
Section 9: N/2  
Section 10: NW/4  
Section 33: E/2  
Section 34: W/2 and SE/4  
Section 35: SW/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 11: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 6: NW/4

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM

Section 28: SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 12: NE/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 10: E/2

(0) That the South Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 19: SW/4  
Section 30: W/2  
Section 31: NW/4

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 24: S/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 2: N/2  
Section 3: N/2  
Section 4: NE/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 14: W/2  
Sections 15, 16, & 17: All  
Section 21: N/2  
Section 22: N/2

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 3: SE/4  
Section 26: S/2 and NW/4  
Section 27: All  
Section 28: E/2  
Section 33: E/2  
Sections 34 & 35: All  
Section 36: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 14: NW/4  
Section 24: All

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 34: NW/4

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 8: SE/4

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Section 25: SE/4  
 Section 36: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 19: W/2  
 Section 30: NW/4

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM

Section 11: E/2  
 Section 12: All  
 Section 13: All  
 Section 14: NE/4  
 Section 24: NE/4

(p) That the Bloomfield Chacra Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Sections 15 & 16: All  
 Section 17: SE/4  
 Section 22: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 14: W/2  
 Section 15: E/2  
 Section 22: E/2  
 Section 23: W/2  
 Section 25: N/2  
 Section 26: W/2  
 Section 27: NE/4 and S/2  
 Section 34: All  
 Section 35: W/2 and SE/4

(q) That the Cha Cha Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM

Section 11: E/2  
 Section 12: S/2 and NW/4  
 Section 14: N/2

(r) That the Chacon Dakota Associated Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 1: W/2  
 Section 2: E/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 3: NE/4  
 Section 11: NW/4  
 Section 23: SE/4  
 Section 35: SE/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 16: SW/4  
 Section 17: SE/4  
 Section 21: All  
 Section 22: SW/4  
 Section 27: W/2 and SE/4  
 Section 28: E/2  
 Section 34: E/2

(a) That the Escrito Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM  
 Section 28: S/2 NE/4  
 Section 35: W/2 NW/4

(t) That the Flora Vista Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM  
 Section 3: W/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM  
 Section 34: W/2

(u) That the Flora Vista Gallup Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM  
 Section 1: SW/4  
 Section 2: SE/4

(v) That the Fulcher Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM  
 Section 16: W/2

(w) That the Gallegos Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12, WEST, NMPM  
 Section 23: E/2 NE/4

(x) That the Gavilan-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM  
 Section 6: SW/4

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM  
 Section 9: NW/4

(y) That the Gobernador Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM  
 Section 31: SE/4

(z) That the Gonzales Mesa Verde Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM  
 Section 30: SE/4  
 Section 31: NE/4

(aa) That the West Kutz Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM  
 Section 19: S/2

(bb) That the Kutz Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM  
 Section 4: NW/4 NE/4

Page 8 of 16  
Examiner Hearing - Wednesday - December 16, 1981

(cc) That the West Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM  
Section 32: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM  
Section 9: W/2  
Section 16: NW/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM  
Section 20: SE/4

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM  
Section 18: SW/4  
Section 19: N/2

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM  
Section 13: All  
Section 24: N/2

(dd) That the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 27: N/2 S/2

(ee) That the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM  
Section 7: N/2  
Section 8: W/2  
Section 17: NE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 4: All  
Section 8: S/2  
Section 10: NW/4 and SE/4  
Section 14: NW/4  
Section 15: NE/4  
Section 25: SE/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM  
Section 13: SW/4  
Section 21: NW/4  
Section 23: E/2  
Section 24: N/2  
Section 26: E/2  
Section 31: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM  
Section 35: SE/4  
Section 36: S/2

(ff) That the South Los Pinos Fruitland-Pictured Cliffs Gas Pool in San Juan County, New Mexico as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM  
Section 25: S/2  
Section 32: SE/4  
Section 33: NE/4

(gg) That the Lybrook Gallup Oil Pool in Sandoval, San Juan, and Rio Arriba Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 6: E/2 SW/4  
Section 7: NE/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 1: W/2 SW/4 and SW/4 NW/4  
Section 6: NW/4 and W/2 NE/4 and SE/4 NE/4  
Section 8: NE/4 and W/2 SE/4  
Section 12: NW/4 NW/4  
Section 14: W/2  
Section 15: N/2 NE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 29: SW/4 SE/4  
Section 30: S/2 S/2  
Section 31: All  
Section 32: W/2 E/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 23: S/2 S/2  
Section 25: W/2 NW/4 and SW/4 and S/2 SE/4  
Section 26: E/2 NE/4  
Section 36: All

(hh) That the Miguel Creek Gallup Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM

Section 20: E/2 SE/4  
Section 28: NW/4 NW/4  
Section 29: E/2 NE/4 and NW/4 NE/4

(ii) That the Nageezi Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 8 WEST, NMPM

Section 5: W/2  
Section 6: N/2  
Section 8: NE/4  
Section 9: W/2 and NE/4  
Section 16: NW/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 32: All

(jj) That the Otero Chacra Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 4: N/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 28: W/2  
Sections 29 & 30: All  
Section 32: NW/4 and E/2  
Section 33: W/2 and SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 22: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 5: NE/4  
Section 9: All  
Section 10: SW/4



(kk) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NNPM  
 Section 1: W/2 NW/4 and SE/4 NW/4  
 Section 2: N/2 NE/4

(ll) That the Pajarito Pennsylvanian D Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 17 WEST, NNPM  
 Section 31: NW/4 NE/4

(mm) That the Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NNPM  
 Section 16: W/2  
 Section 17: E/2

(nn) That the North Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NNPM  
 Section 33: W/2

(oo) That the Rusty Chacra Gas Pool in Sandoval County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 21 NORTH, RANGE 6 WEST, NNPM  
 Section 4: SW/4  
 Section 5: S/2 and NW/4  
 Section 6: All  
 Section 7: NW/4  
 Section 9: W/2

TOWNSHIP 22 NORTH, RANGE 6 WEST, NNPM  
 Section 17: SW/4  
 Section 18: NW/4 and SE/4  
 Section 20: NW/4 and SE/4  
 Section 27: SW/4  
 Section 28: S/2  
 Section 29: S/2  
 Section 30: NW/4 and SE/4  
 Section 31: E/2  
 Section 32: W/2 and NE/4  
 Section 34: N/2  
 Section 35: N/2 and SE/4  
 Section 36: SW/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NNPM  
 Section 10: N/2  
 Section 11: NW/4  
 Section 12: SW/4  
 Section 17: S/2  
 Section 27: S/2 and NW/4  
 Section 28: E/2  
 Section 34: NE/4

(pp) That the Tapacito Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NNPM  
 Section 5: SW/4  
 Section 6: SE/4  
 Section 9: SW/4  
 Section 16: N/2 and SE/4

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM  
 Section 3: All  
 Section 4: E/2 and NW/4  
 Section 5: NE/4  
 Section 9: NE/4  
 Section 10: N/2

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM  
 Section 31: NW/4  
 Section 32: S/2

(qq) That the Ute Dome Dakota Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM  
 Section 26: SE/4  
 Section 34: NE/4

(rr) That the WAM Fruitland Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
 Section 25: S/2  
 Section 26: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM  
 Section 4: SE/4  
 Section 10: S/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM  
 Section 30: NW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM  
 Section 4: SW/4  
 Section 5: S/2  
 Section 7: NE/4  
 Section 8: All  
 Section 9: W/2 and SE/4  
 Section 16: N/2  
 Section 17: NE/4

CASE 7447: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Draper Mill-Upper Pennsylvanian Gas Pool with vertical limits defined as from the top of the Pennsylvanian formation at 14,128 feet to the top of the Morrow formation at 15,003 feet as found on log of discovery well the HNG Oil Company Vaca Draw 16 State Well No. 1 located in Unit E of Section 16, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM  
 Section 16: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Dora-Pennsylvanian Pool. The discovery well is Enserch Exploration Inc. Annie Harvey Well No. 1 located in Unit J of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
 Section 6: SE/4

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Montoya production and designated as the Lightcap Montoya Gas Pool. The discovery well is Aikman Petroleum, Inc. Sanders Well No. 1 located in Unit E of Section 8, Township 8 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM  
Section 8: W/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Loving-Cherry Canyon Pool. Further, to assign approximately 18,240 barrels of discovery allowable to the discovery well, the Pogo Production Company NEEL Well No. 2 located in Unit I of Section 9, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 9: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Midway-Strawn Pool. The discovery well is David Fasken Consolidated State Well No. 2 located in Unit A of Section 8, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM  
Section 8: NE/4

(f) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Pecos Slope-Abo Gas Pool. The discovery well is Yates Petroleum Corporation Federal HY Well No. 2 located in Unit O of Section 33, Township 7 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM  
Section 35: SE/4  
Section 36: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM  
Section 31: SW/4

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPM  
Section 1: All  
Section 2: E/2 and SW/4  
Section 9: SE/4  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: All  
Section 15: All  
Section 16: E/2  
Section 21: E/2  
Section 22: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: E/2  
Section 31: S/2  
Section 32: S/2  
Section 33: E/2 and SW/4  
Section 34: All  
Section 35: All  
Section 36: All

TOWNSHIP 5 SOUTH, RANGE 25 EAST, NMPM  
Section 6: W/2  
Section 7: NW/4  
Section 31: W/2 and SE/4  
Section 32: S/2

TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPM  
 Section 1: All

TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM  
 Section 1 thru Section 36: All

TOWNSHIP 7 SOUTH, RANGE 25 EAST, NMPM  
 Section 1: All  
 Section 2: All  
 Section 3: All  
 Section 4: All  
 Section 5: All  
 Section 6: E/2  
 Section 7: W/2  
 Section 8: All  
 Section 9: All  
 Section 10: All  
 Section 11: All  
 Section 12: All  
 Section 13: N/2 and SE/4  
 Section 14: N/2  
 Section 15: N/2  
 Section 16: All  
 Section 17: All  
 Section 20: N/2  
 Section 21: All  
 Section 28: All  
 Section 33: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM  
 Section 18: S/2

(g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the West Pecos Slope-Abo Gas Pool. The discovery well is Mesa Petroleum Company Rock Federal Well No. 1 located in Unit J of Section 7, Township 8 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM  
 Section 12: NW/4 and E/2  
 Section 13: E/2

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM  
 Section 6: S/2  
 Section 7: All  
 Section 8: S/2  
 Section 18: N/2 and SW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring Oil production and designated as the Red Bluff-Bone Spring Pool. The discovery well is HCW Exploration, Inc. Dorstate Well No. 1 located in Unit H of Section 27, Township 25 South, Range 28 East, NMPM. said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM  
 Section 27: NE/4

(i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Willow Lake-Bone Spring Pool. The discovery well is Maddox Energy Corporation Union Federal Well No. 1 located in Unit H of Section 33, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM  
 Section 33: NE/4

(j) CONTRACT the vertical limits of the North Shoebar Pennsylvanian Pool in Lea County, New Mexico, to the Strawn formation only and redesignate pool to the Northwest Shoebar-Strawn Pool. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
 Section 15: SE/4

(k) EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM  
 Section 28: S/2  
 Section 29: E/2  
 Section 32: E/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
 Section 2: Lots 9, 10, 15, 16, and  
 SE/4

(l) EXTEND the South Bell Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM  
 Section 13: E/2

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
 Section 17: All

(m) EXTEND the Bunting Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM  
 Section 30: S/2  
 Section 31: N/2

(n) EXTEND the West Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
 Section 30: E/2

(o) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
 Section 25: N/2 SW/4 and NW/4  
 Section 26: NE/4 and S/2  
 Section 27: S/2 SE/4

(p) EXTEND the Diamond Mound-Morrow Gas Pool in Chaves County, New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
 Section 35: N/2

(q) EXTEND the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
 Section 36: E/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
 Section 31: NW/4

(r) EXTEND the Inbe-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 14: NE/4

(s) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 30: E/2

(t) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 30: N/2

(u) EXTEND the West Nadine-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 8: SE/4  
Section 9: SW/4

(v) EXTEND the Nadine-Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM  
Section 22: NE/4

(w) EXTEND the Oil Center-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 11: E/2 SW/4

(x) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 11: NE/4

(y) EXTEND the Penasco Draw-San Andres-Yeso Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM  
Section 35: S/2 NE/4 and SE/4  
Section 36: S/2

(z) EXTEND the Robina Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM  
Section 6: E/2  
Section 7: E/2

(aa) EXTEND the Sawyer-San Andres Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM  
Section 36: NE/4

(bb) EXTEND the North Shoebar-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 15: SE/4

(cc) EXTEND the Tomahawk-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM  
Section 36: SW/4

(dd) EXTEND the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 23: N/2

(ee) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 22: S/2  
Section 27: All  
Section 34: E/2  
Section 35: W/2

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 2: N/2  
Section 3: All

(ff) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico to include therein:

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM  
Section 7: NE/4

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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

21 October 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S & I Oil  
Company for compulsory pooling,  
San Juan County, New Mexico.

CASE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:



MR. STAMETS: We'll call next Case 7356.

MR. PEARCE: Application of S & I Oil  
Company for compulsory pooling, San Juan County, New Mexico.

MR. STAMETS: At the request of the  
applicant this case will be continued to the November 19th  
Examiner Hearing.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Exam. Hearing of Case No. 7356,  
heard by me on 10-21 1981.  
Richard A. [Signature], Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

21 October 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S & I Oil  
Company for compulsory pooling,  
San Juan County, New Mexico.

CASE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

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Company for compulsory pooling, San Juan County, New Mexico.

MR. STAMETS: At the request of the  
applicant this case will be continued to the November 19th  
Examiner Hearing.

(Hearing concluded.)

## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. \_\_\_\_\_, heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 191-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

**CASE 7410:** Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

**CASE 7356:** (Continued from October 21, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

**CASE 7411:** Application of Viking Petroleum, Inc., for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).

**CASE 7412:** Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "ZD" State Well No. 1 located in Unit M of Section 30, Township 16 South, Range 35 East, Air-Strip Field.

**CASE 7413:** Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Arnott Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.

**CASE 7414:** Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

- CASE 7415:** Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. 3, located in Unit J of Section 32, Township 22 South, Range 38 East.
- CASE 7379:** (Continued from October 21, 1981, Examiner Hearing)  
Application of JEM Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.
- CASE 7407:** (Continued from November 4, 1981, Examiner Hearing)  
Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7416:** Application of El Paso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates - Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restriction all gas remaining in the newly created Rhodes Gas Pool.
- CASE 7417:** (This case will be dismissed.)  
Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4,5,6,7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.
- CASE 7418:** Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.
- CASE 7419:** Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Blinebry pool including a special gas-oil ratio of 4,000 to one.
- CASE 7420:** Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5 the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range 35 East, both to be plugged back to the Scharb-Bone Springs Pool, the S/2 SE/4 of Section 5 and the N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.
- CASE 7421:** Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7422: Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 38 East, the NE/4 NW/4 of said Section 19 to be dedicated to the well.

CASE 7423: Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinbry oil and gas pool by the injection of water into the Blinbry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.

CASE 7424: Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its Eunice-Monument Summit SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.

CASE 7425: Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 554 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7426: Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbon dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.

CASE 7427: Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlsbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.

CASE 7428: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating; and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM  
Section 14: SE/4



(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM  
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM  
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM  
Section 21: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM  
Section 32: E/2  
Section 33: All

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 11: All  
Section 15: N/2

(i) EXTEND the Baldridge Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM  
Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM  
Section 28: N/2 SE/4

(k) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM  
Section 10: SE/4

(l) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
Section 4: All

Examiner Hearing - Thursday - November 14, 1981

- (m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPH  
Section 13: SE/4 SW/4

- (n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPH  
Section 35: W/2

- (o) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPH  
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPH  
Section 1: All

- (p) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPH  
Section 8: S/2

- (q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPH  
Section 34: N/2  
Section 35: N/2

- (r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPH  
Section 8: S/2 S/2

- (s) EXTEND the West Ocho-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPH  
Section 35: N/2

- (t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPH  
Section 29: W/2

- (u) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPH  
Section 29: NE/4

- (v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPH  
Section 4: S/2

- (w) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPH  
Section 32: NE/4

Examiner Hearing - Thursday - November 14, 1981

- (x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM  
Section 8: NE/4

- (y) EXTEND the East Siets-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 10: NE/4

- (z) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 27: NW/4

- (aa) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM  
Section 28: SE/4

- (bb) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 21: All

- (cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM  
Section 9: NE/4

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
23 September 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S&I Oil Company for  
compulsory pooling, San Juan County,  
New Mexico.

CASE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

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MR. STAMETS: Call next Case 7356.

MR. PEARCE: Application of S&I Oil Company for compulsory pooling, San Juan County, New Mexico.

MR. STAMETS: At the request of the applicant this case will be continued to the October 21st Examiner Hearing.

(Hearing concluded.)

## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7356, heard by me on 9-23 19 81.  
Richard A. [Signature], Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
23 September 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of S&I Oil Company for  
compulsory pooling, San Juan County,  
New Mexico.

CASE  
7356

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

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MR. STAMETS: Call next Case 7356.

MR. PEARCE: Application of S&I Oil Company for compulsory pooling, San Juan County, New Mexico.

MR. STAMETS: At the request of the applicant this case will be continued to the October 21st Examiner Hearing.

(Hearing concluded.)



## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing of Case No. \_\_\_\_\_, heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

Docket Nos. 34-81 and 35-81 are tentatively set for October 21 and November 4, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - OCTOBER 14, 1981

9 A.M. - OIL CONSERVATION COMMISSION - ROOM 205  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

(The following cases are continued from the October 14, 1981, Commission hearing to October 16, 1981.)  
CASE 7345: (Continued and Readvertised)

Application of Bass Enterprises Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres, Bone Springs and Pennsylvanian formations, Lovington Field, underlying the N/2 NE/4 of Section 13, Township 16 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7323: (DE NOVO)

Application of Clements Energy, Inc., for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 of Section 32, Township 15 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Upon application of Southland Royalty Company, this case will be heard DE NOVO pursuant to the provisions of Rule 1220.

Docket No. 34-81

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 21, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for November, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for November, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7373: Application of J. C. Williamson for Amendment of Division Order No. R-6738, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-6738, which approved an unorthodox location for a well 1560 feet from the North line and 1830 feet from the West line of Section 10, Township 23 South, Range 34 East. Applicant seeks the Amendment of said order to reflect the corrected location of said well at a point 1580 feet from the North line and 2614 feet from the West line of said Section 10.

CASE 7374: Application of Dugan Production Corporation for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Farmington formation well located 330 feet from the South line and 990 feet from the East line of Section 9, Township 28 North, Range 11 West, the E/2 of said Section 9 to be dedicated to the well.

- CASE 7375: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Angel Peak Gallup-Basin Dakota production in the wellbore of its McAdams Well No. 2 located in Unit P of Section 34, Township 27 North, Range 10 West.
- CASE 7376: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and Bisti-Lower Gallup production in the wellbore of its Big 8 Well No. 1-E, located in Unit O of Section 8, Township 24 North, Range 9 West.
- CASE 7377: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of undesignated Gallup and Basin-Dakota production in the wellbore of its July Jubilee Well No. 1 located in Unit G of Section 30, Township 24 North, Range 9 West.
- CASE 7378: Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wildhorse-Gallup and Basin-Dakota production in the wellbore of his Apache E Well No. 1, located in Unit A of Section 18, Township 26 North, Range 3 West.
- CASE 7356: (Continued from September 23, 1981, Examiner Hearing)
- Application of 3 & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7379: Application of JEN Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.
- CASE 7380: Application of Bird Oil Corporation for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Entrada location of a well to be drilled 2310 feet from the North line and 1325 feet from the East line of Section 10, Township 22 North, Range 9 West, the SW/4 NE/4 of said Section 10 to be dedicated to the well.
- CASE 7381: Application of H. L. Brown, Jr., for an unorthodox gas well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the South line and 2310 feet from the East line of Section 34, Township 7 South, Range 37 East, Bluit-Wolfcamp Gas Pool, the E/2 of said Section 34 to be dedicated to the well.
- CASE 7382: Application of TKO Production Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow well to be drilled 660 feet from the South and West lines of Section 20, Township 17 South, Range 28 East, the W/2 of said Section 20 to be dedicated to the well.
- CASE 7383: Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Upper Pennsylvanian formation underlying the NW/4 of Section 19, Township 19 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7384: Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 SW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7385: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco-Mesaverde and Basin-Dakota production in the wellbore of its San Juan 27-5 Unit Well No. 59, located in Unit A of Section 6, Township 27 North, Range 5 West.
- CASE 7386: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its San Juan 27-5 Unit Well No. 54, located in Unit L of Section 31, Township 27 North, Range 5 West.
- CASE 7387: Application of Sun Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North and East lines of Section 32, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, the N/2 NE/4 of said Section 32 to be dedicated to the well.
- CASE 7388: Application of Sun Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled in the Northeast Lusk Yates Pool, 2500 feet from the North line and 1880 feet from the East line of Section 15, Township 19 South, Range 32 East the SW/4 NE/4 of said Section 15 to be dedicated to the well.
- CASE 7389: Application of Yates Petroleum Corporation for an Amendment to Division Order No. R-4365, Eddy County, New Mexico. Applicant, in the above-styled cause seeks the amendment of Division Order No. R-4365, which promulgated special rules and regulations for the Penasco Draw San Andres-Yeso Pool, by amending Rule 5 to permit the simultaneous dedication of gas wells and oil wells and amending Rule 9 to provide for annual gas-liquid ratio tests in lieu of semi-annual tests.
- CASE 7365: (Continued from October 7, 1981, Examiner Hearing)
- Application of Yates Petroleum Corporation for the amendment of Order No. R-6406, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6406, to permit recompletion of its State "JM" No. 2 Well, drilled at an unorthodox Morrow location 660 feet from the South line and 660 feet from the East line of said Section 25, Township 18 South, Range 24 East, in any and all Wolfcamp and Pennsylvanian pays in said well.
- CASE 7390: Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the W/2 of Section 18, Township 9 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7391: Application of Harvey E. Yates Company for statutory unitization, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of a secondary recovery project, all mineral interests in the Travis Penn Unit encompassing 480 acres, more or less, underlying all or portions of Sections 12 and 13, Township 18 South, Range 28 East, Eddy County, New Mexico.

The unitized interval would be the Cisco-Canyon formation between the depths of 9815 feet and 9935 feet in Harvey E. Yates Company's Travis Deep Unit No. 2 Well. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

- CASE 7392: Application of Sam H. Snoddy, for an unorthodox gas well location in the Oil-Potash Area, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the location of a Pennsylvanian well to be drilled 660 feet from the North and East lines of Section 26, Township 20 South, Range 32 East, Oil-Potash Area, the N/2 of said Section 26 to be dedicated to the well.
- CASE 7393: Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Morrow formations underlying the W/2 of Section 13, Township 22 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7394: Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.
- CASE 7395: Application of Curtis J. Little for Designation of a Tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 25 and 26 North, Ranges 6 and 7 West containing a total of 14,400 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.
- CASE 7300: (Reopened and Readvertised)
- Application of Dome Petroleum Corporation for designation of a tight formation, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Chacra formation underlying portions of Townships 21 and 22 North, Ranges 5, 6, and 7 West, containing 73,018 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.
- CASE 7352: (Continued from September 23, 1981, Examiner Hearing)
- Application of Yates Petroleum Corporation for designation of a tight formation, Eddy County, New Mexico. Applicant, in the above-styled cause, pursuant to Section 107 of the Natural Gas Policy Act 18-CFR Section 271. 701-705, seeks the designation as a tight formation of the Permo-Penn formation underlying all of the following townships:

Township 17 South, Ranges 24 thru  
26 East;

18 South, 24 and 25 East,

19 South, 23 thru 25 East;

20 South, 21 thru 24 East;

20 1/2 South, 21 and 22 East;

21 South, 21 and 22 East;

Also Sections 1 thru 12 in

22 South, 21 and 22 East,

All of the above containing a total of 315,000 acres more or less.

Dockets Nos. 31-81 and 32-81 are tentatively set for October 7, and October 21, 1981. Applications for hearing must be filed at least 10 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 23, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner or Daniel S. Nutter, Alternate Examiner:

- CASE 7353: Application of Texaco, Inc., for the amendment of Division Order No. R-5530, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5530, which authorized its Central Vacuum Unit Area Pressure Maintenance Project, to increase the total project area allowable, or as an alternative, to reclassify the project as a waterflood project.
- CASE 7354: Application of Corona Oil Company, for a pilot steam-enhanced oil recovery project, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot steam-enhanced oil recovery project in the Santa Rosa formation by using two existing wells and three additional wells to be drilled to complete a five spot pattern located in the NE/4 NW/4 of Section 17, Township 11 North, Range 26 East.
- CASE 7355: Application of Doyle Hartman for directional drilling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill his Bates Well No. 3, the surface location of which is 1635 feet from the South line and 1210 feet from the West line of Section 20, Township 25 South, Range 37 East, in such a manner as to bottom it at a depth of 3500 feet in the Jalmat Gas Pool at an unorthodox location 2310 feet from the South line and 1650 feet from the West line of Section 20. The SW/4 of said Section 20 would be dedicated to the well.
- CASE 7356: Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7357: Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Atoka and Morrow formations underlying the W/2 of Section 16, Township 22 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7343: (Continued from September 9, 1981, Examiner Hearing)
- Application of Caribou Four Corners, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cha Cha Gallup Oil Pool underlying the E/2 NW/4 of Section 18, Township 29 North, Range 14 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7358: Application of John Yuronka for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Langley Mattix Pool underlying the SW/4 of Section 6, Township 23 South, Range 37 East, to form four 40-acre tracts, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 7359: Application of Energy Reserves Group for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico.

Applicant, in the above-styled cause, seeks creation of a new Cisco gas pool for its Miller Com Well No. 1, located in Unit M of Section 12, Township 6 South, Range 33 East.

Applicant further seeks approval of an unorthodox location for its Miller "A" Well No. 1-Y, to be drilled 1800 feet from the South line and 1700 feet from the East line of Section 11 of the same township. The S/2 of said Section 11 to be dedicated to the well.

CASE 7345: (Continued from September 9, 1981, Examiner Hearing)

Application of Bass Enterprises Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Lovington Penn Pool underlying the N/2 NE/4 of Section 13, Township 16 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7360: Application of L. J. Buck for salt water disposal, Lea County, New Mexico.

Applicant, in the above-styled cause seeks authority to dispose of produced salt water into the Seven Rivers formation in the interval from 3221 feet to 3250 feet in his Monco Well No. 2 in Unit M of Section 25, Township 25 South, Range 36 East.

CASE 7352: (Continued from September 9, 1981 Examiner Hearing)

Application of Yates Petroleum Corporation for designation of a tight formation, Eddy County, New Mexico. Applicant, in the above-styled cause, pursuant to Section 107 of the Natural Gas Policy Act 18-CFR Section 271.701-705, seeks the designation as a tight formation of the Permo-Penn and formation underlying all of the following townships:

Township 17 South, Ranges 24 thru  
26 East;

18 South, 24 and 25 East;

19 South, 23 thru 25 East;

20 South, 21 thru 24 East;

20½ South, 21 and 22 East;

21 South, 21 and 22 East;

Also Sections 1 thru 12 in  
22 South, 21 and 22 East,

All of the above containing a total of 315,000 acres more or less.

CASE 7329: (Readvertised)

Application of Loco Hills Water Disposal Company for an exception to Order No. R-3221, Eddy County, New Mexico

Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in the N/2 SW/4 SW/4 of Section 16, Township 17 South, Range 30 East.

Docket Nos. 31-81 and 32-81 are tentatively set for October 7, and October 21, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - SEPTEMBER 29, 1981

9 A.M. - OIL CONSERVATION DIVISION - MEXICAN HALL  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7116: (DE NOVO)

Application of Southland Royalty Company for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying portions of Township 31 and 32 North, Ranges 10, 11, 12, and 13 West, containing 93,840 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

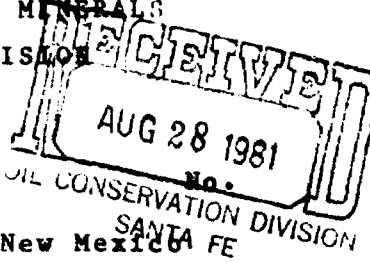
Upon application of Consolidated Oil & Gas, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7361: Application of Southland Royalty Company for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying all or portions of Township 31 North, Ranges 10 and 11 West, and Township 32 North, Ranges 10, 11, 12, and 13 West, containing 92,871 acres more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

CASE 7362: Application of R. A. Mendenhall Associates, Ltd., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Delaware Mountain Group formation underlying the NW/4 SE/4 of Section 10, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.



STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION



APPLICATION OF S & I OIL COMPANY for  
COMPULSORY POOLING of the W/2 of the SW/4  
of Section 12, Township 29 North,  
Range 15 West, N.M.P.M., San Juan County, New Mexico

APPLICATION FOR COMPULSORY POOLING

Case 7356

S & I Oil Company, a partnership, by and through its  
counsel WEEMS, BIRDSALL & HOLMES, P.A., respectfully requests that  
the Division compulsory pool the West One-Half of the Southwest <sup>W/2 SW/4</sup>  
Quarter of Section 12, Township 29 North, Range 15 West, N.M.P.M.,  
for the drilling of an oil well in the Cha Cha-Gallup Pool.


Further, Applicant respectfully requests that such order  
be issued to designate Applicant as operator and establish a risk  
factor of two hundred percent (200%) of the nonconsenting working  
interest owners prorata share of the cost of drilling and completing  
the well.

The nonconsenting owner is School District No. 22, San  
Juan County, New Mexico, also known as the Central Consolidated  
School District, which owns 3.556 acres, more or less, described as  
follows:

Beginning at a point from whence the  
Northwest Corner of the SW/4 SW/4 of Section  
12, Township 29 North, Range 15 West, bears  
North 67° West 44.4'; THENCE South 632.4';  
THENCE East 267' to the West line of the  
school property; THENCE North more or less  
528 feet more or less to the center of the  
old U.S. Highway 550; THENCE North 67° West  
along center of said Highway 288.6 feet to  
point of beginning Containing 3.556 acres,  
more or less.



WEEMS, BIRDSALL & HOLMES, P.A.  
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Farmington, New Mexico 87401

by   
Damon L. Weems  
Attorney for S & I Oil Company  
A Partnership  
505-327-4469

HEARINGS  
ORDERS

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7356  
Order No. R-6863

APPLICATION OF S & I OIL COMPANY  
FOR COMPULSORY POOLING, SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 16, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this \_\_\_\_\_ day of December, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7356 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

JOE D. RAMEY,  
Director

S E A L