

CASE 7392: SAM H. SNODDY FOR AN UNOR-
THODOX GAS WELL LOCATION IN THE OIL-
FOTASH AREA, LEA COUNTY, NEW MEXICO

BEST AVAILABLE COPY

BEST AVAILABLE COPY

send copy of docket ✓
to Kerr-McGee Chemical Corp.
P.O. Box 610
Albany NM 88240
Attn: Mr. Robert H. Lane

DOCKET MAILED

Date 10/9/81

F23 3201269

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

TO: **Bass Enterprises Producing Co., S. W. Richardson, Inc.**
Fort Worth National Bank Bldg., Fort Worth, Texas

POSTAGE **76102**

CONSULT POSTMASTER FOR FEES	CERTIFIED MAIL	
	✓	EQUAL DELIVERY
	✓	RESTRICTED DELIVERY
	✓	SHOW TO WHOM AND DATE DELIVERED
OPTIONAL SERVICES	✓	RETURN RECEIPT SERVICE
	✓	POST TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY

TOTAL POSTAGE AND FEES

POSTMARK OR DATE
Snoddy OCC
9/30/81

BEST AVAILABLE COPY

PS Form 3800, Apr. 1976

PS Form 3811, Aug. 1976

● **SENDER** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
 Show to whom and date delivered
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Bass Enterprises Producing Co.
S. W. Richardson, Inc.
Fort Worth National Bank Building
Fort Worth, Texas 76102

3. ARTICLE DESCRIPTION:
 REGISTERED NO. **p23 3201269** CERTIFIED NO. INSURED NO.
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☒ Authorized agent
Brian Scruggs

4. DATE OF DELIVERY **10-2-81**

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: **BEST AVAILABLE COPY**

CLERK'S INITIALS

POSTMARK
OCT 1 1981

☆ GPO: 1978-272-382

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Snoddy OCC

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



BEST AVAILABLE COPY

pv

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE.
CERTIFIED MAIL FEE AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, **leaving the receipt attached**, and present the article at a post office service window or hand it to your mail carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make a inquiry.

GPO: 1979-302-878

Case No.

7392

Application

Transcripts.

Small Exhibits

ETC

P23 RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Grace Petroleum Company	
9th Flr., Western United Life Building	
Midland, Texas 79701	
POSTAGE	\$
CERTIFIED FEE	\$
SPECIAL DELIVERY	\$
RESTRICTED DELIVERY	\$
INSURANCE	\$
REGISTERED MAIL	\$
RETURN RECEIPT SERVICE	\$
POSTMARK OR DATE	
Snoddy OOC	
9/30/81	
BEST AVAILABLE COPY	

PS Form 3800, Apr. 1976

<p>PS Form 3811, Aug. 1978</p> <p>• SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.</p>								
<p>1. The following service is requested (check one).</p> <p><input checked="" type="checkbox"/> Show to whom and date delivered. _____</p> <p><input type="checkbox"/> Show to whom, date, and address of delivery. _____</p> <p><input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. _____</p> <p><input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address of delivery. _____</p> <p>(CONSULT POSTMASTER FOR FEES)</p>								
<p>2. ARTICLE ADDRESSED TO:</p> <p>Grace Petroleum Company 9th Floor, Western United Life Bldg. Midland, Texas 79701</p>								
<p>3. ARTICLE DESCRIPTION:</p> <table border="1"> <tr> <td>REGISTERED NO.</td> <td>CERTIFIED NO.</td> <td>INSURED NO.</td> </tr> <tr> <td></td> <td>P23 3201320</td> <td></td> </tr> </table> <p>(Always obtain signature of addressee or agent)</p>			REGISTERED NO.	CERTIFIED NO.	INSURED NO.		P23 3201320	
REGISTERED NO.	CERTIFIED NO.	INSURED NO.						
	P23 3201320							
<p>I have received the article described above.</p> <p>SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent</p> <p><i>Douglas W. Rice</i></p>								
<p>4. DATE OF DELIVERY</p>		<p>POSTMARK</p>						
<p>5. ADDRESS (Complete only if requested)</p>								
<p>6. UNABLE TO DELIVER BECAUSE:</p> <p>BEST AVAILABLE COPY</p>		<p>CLERK'S INITIALS</p>						

☆ SPO: 1978-212-382

Snoddy OCC

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" and affix to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



BEST AVAILABLE COPY

PV

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the appropriate blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

GPO: 1979 302-878

FS Form 3811, Apr. 1976

SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
 Show to whom and date delivered.
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery. \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 C. W. Trainer
 9205 Highway 71 West
 Austin, Texas 78736

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 P23 3201268

4. (Always get signature of addressee or agent)
 I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
C. W. Trainer

5. DATE OF DELIVERY POSTMARK
 10-3-81

6. ADDRESS (Complete only if requested)

7. UNABLE TO DELIVER, RECOVERABLE COPY
 BEST AVAILABLE COPY

CLERK'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO: 1978-272-382

P23

RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED --
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO
 C. W. Trainer
 STREET AND NO.
 9205 Highway 71 West
 POST OFFICE BOX AND ZIP CODE
 Austin, Texas 78736

POSTAGE

CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	
	SPECIAL DELIVERY	
OPTIONAL SERVICES	RESTRICTED DELIVERY	
	SHOW TO WHOM AND DATE DELIVERED	
RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	

TOTAL POSTAGE AND FEES

POSTMARK OR DATE
 Snoddy OCC
 9/30/81

BEST AVAILABLE COPY

PS Form 3800, Apr. 1976

Snoddy 000

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR
USE TO AVOID
OF POSTAGE

BEST AVAILABLE COPY

RETURN
TO

pv

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

GPO: 1979 302-878

PS Form 3811, Apr. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
 Show to whom and date delivered
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery \$.....
 (CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
 Gulf Oil Company
 P. O. Box 3725
 Houston, Texas 77001

3. **ARTICLE DESCRIPTION:**
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 : P23 3201321

1 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☒ Addressee ☐ Authorized agent

4. **DATE OF DELIVERY**
 OCT 5 1981

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE** CLERK'S INITIALS

BEST AVAILABLE COPY

☆ GPO: 1978-272-512

P23 3201321

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

TO: Gulf Oil Company
 STREET AND NO.
 P. O. Box 3725
 P.O. STATE AND ZIP CODE
 Houston, Texas 77001

POSTAGE \$

CONSULT POSTMASTER FOR FEES	OPTIONAL SERVICES	CERTIFIED FEES	\$
		SPECIAL DELIVERY	\$
		RESTRICTED DELIVERY	\$
		RETURN RECEIPT SERVICE	\$
		SHOW TO WHOM AND DATE DELIVERED	\$
		SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	\$
		SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	\$
		SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	\$
TOTAL POSTAGE AND FEES			\$
POSTMARK OR DATE			
Shoddy OCC			
9/30/81			
BEST AVAILABLE COPY			

PS Form 3800, Apr. 1976

Snoddy OCC

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



BEST AVAILABLE COPY

PV

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

BEST AVAILABLE COPY

- If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, **leaving the receipt attached**, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
- If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
- If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
- If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 7 of Form 3811.
 6. Save this receipt and present it if you make inquiry.

☆ GPO: 1979-302-872

P23 3201318 RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

TO		DAVID FASKEN	
STREET AND NO.		FIRST NATIONAL BANK BUILDING	
PO, STATE AND ZIP CODE		MIDLAND, TEXAS 79701	
POSTAGE			
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE		
	SPECIAL DELIVERY		
	RESTRICTED DELIVERY		
	OPTIONAL SERVICES		
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED		
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES			
POSTMARK OR DATE		Snoddy CCC 9/30/81	
BEST AVAILABLE COPY			

PS Form 3811, Apr. 1976

PS Form 3811, Apr. 1976		<p>● SENDER Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.</p>							
<p>1. The following service is requested (check one)</p> <p><input checked="" type="checkbox"/> Show to whom and date delivered. _____</p> <p><input type="checkbox"/> Show to whom, date, and address of delivery. _____</p> <p><input type="checkbox"/> RESTRICTED DELIVERY</p> <p>Show to whom and date delivered. _____</p> <p><input type="checkbox"/> RESTRICTED DELIVERY</p> <p>Show to whom, date, and address of delivery. \$ _____</p> <p>(CONSULT POSTMASTER FOR FEES)</p>									
<p>2. ARTICLE ADDRESSED TO:</p> <p>David Fasken First National Bank Building Midland, Texas 79701</p>									
<p>3. ARTICLE DESCRIPTION:</p> <table border="1"> <tr> <td>REGISTERED NO.</td> <td>CERTIFIED NO.</td> <td>INSURED NO.</td> </tr> <tr> <td></td> <td>P23 3201318</td> <td></td> </tr> </table> <p>(Always obtain signature of addressee or agent)</p>				REGISTERED NO.	CERTIFIED NO.	INSURED NO.		P23 3201318	
REGISTERED NO.	CERTIFIED NO.	INSURED NO.							
	P23 3201318								
<p>I have received the article described above.</p> <p>SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent</p> <p><i>Jan Strahan</i></p>									
DATE OF DELIVERY		POSTMARK							
<p>5. ADDRESS (Complete only if requested)</p>									
6. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS							
BEST AVAILABLE COPY									

GPO: 1976-272-382

Shoddy 000

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



**RETURN
TO**



BEST AVAILABLE COPY

PV

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

BEST AVAILABLE COPY

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE.
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RET. IN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

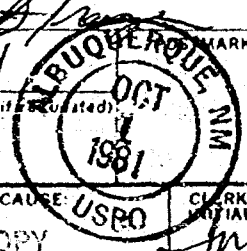
St. GPO: 1979 302-878

P23 3201270
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

United States Geological Survey P. O. Box 26124 Albuquerque, New Mexico 87125	
CONSULT POSTMASTER FOR FEES OPTIONAL SERVICES RETURN RECEIPT SERVICE	CERTIFIED MAIL SPECIAL DELIVERY RESTRICTED DELIVERY SHOW TO WHOM AND DATE DELIVERED SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY
	TOTAL POSTAGE AND FEES
	POSTMARK OR DATE Snoddy CCC 9/30/81
	BEST AVAILABLE COPY

PS Form 3826, Apr. 1976

SENDER Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse		
1. The following service is requested (check one): <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered. <input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery. (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO: United States Geological Survey P. O. Box 26124 Albuquerque, New Mexico 87125		
3. ARTICLE DESCRIPTION: REGISTERED NO. CERTIFIED NO. INSURED NO. P23 3201270		
(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent		
4. DATE OF DELIVERY 10-1-81		
5. ADDRESS (Complete only if relocated) 		
6. UNABLE TO DELIVER BECAUSE: USPO CLERK'S INITIALS BEST AVAILABLE COPY		

PS Form 3811, Aug. 1978
 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Snoddy OCC

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, and 3 on the reverse.
- Attach to front of article if space permits. Otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO

BEST AVAILABLE COPY

BEST AVAILABLE COPY

PV

JENNINGS & CHRISTY

(Name of Sender)

P. O. BOX 1180

(Street or P. O. Box)

ROSWELL, NEW MEXICO 88201

(City, State, and ZIP Code)

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

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If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.

If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.

If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.

5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

GPO: 1979 302-878

PS Form 3811, Apr. 1978

SENDER Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery
☐ RESTRICTED DELIVERY
 Show to whom and date delivered
☐ RESTRICTED DELIVERY
 Show to whom, date, and address of delivery \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Kerr-McGee Corporation
 Kerr-McGee Center, 123 Robert S.
 Kerr Avenue, Oklahoma City, Oklahoma

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 P23 3201271
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent

DATE OF DELIVERY POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

BEST AVAILABLE COPY

☆ GPO: 1978-272-302

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

P23 3201271

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

PS Form 3800, Apr. 1976

Kerr-McGee Corporation
 Kerr-McGee Center
 123 Robert S. Kerr Avenue
 Oklahoma City, Oklahoma

CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	
	SPECIAL DELIVERY	
	RESTRICTED DELIVERY	
	SHOW TO WHOM AND DATE DELIVERED	
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	

TOTAL POSTAGE AND FEES \$

POSTMARK OR DATE
 Snoddy OCC
 9/30/81

BEST AVAILABLE COPY

Snoddy CCC

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
 - Attach to front of article if space permits. Otherwise affix to back of article.
 - Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO



BEST AVAILABLE COPY

PV

JENNINGS & CHRISTY

(Name of Sender)

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GPO: 1979 302-878

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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. 7392
Order No. R-6834

APPLICATION OF SAM H. SNODDY FOR AN
UNORTHODOX GAS WELL LOCATION IN THE
OIL-POTASH AREA, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 21, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of November, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sam H. Snoddy, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line of Section 26, Township 20 South, Range 32 East, Oil-Potash Area, NMPM, to test the Pennsylvanian formation, Lea County, New Mexico.

(3) That the N/2 of said Section 26 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit and will permit the well to be located more distant from a gas pipeline.

(5) That no offset operator objected to the proposed unorthodox location.

-2-

Case No. 7392
Order No. R-6834

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

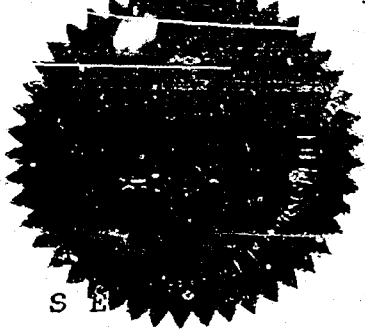
IT IS THEREFORE ORDERED:

(1) That the application of Sam H. Snoddy for an unorthodox gas well location for the Pennsylvanian formation is hereby approved for a well to be located at a point 660 feet from the North line and 660 feet from the East line of Section 26, Township 20 South, Range 32 East, NMPM, Oil-Potash Area, Lea County, New Mexico.

(2) That the N/2 of said Section 26 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director

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 Sam H. Snoddy for
an unorthodox gas well location
in the oil-potash area, Lea County,
New Mexico.

CASE
7392

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:

James T. Jennings, Esq.
JENNINGS & CHRISTY
P. O. Box 1180
Roswell, New Mexico 88201

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I N D E X

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JAMES C. WHITTEN

Direct Examination by Mr. Jennings

E X H I B I T S

Applicant Exhibit One, C-102	5
Applicant Exhibit Two, Plat	6
Applicant Exhibit Three, Map	9
Applicant Exhibit Four, Map	10
Applicant Exhibit Five, Return cards	13
Applicant Exhibit Six, Return cards	13

1
2 MR. STAMETS: The hearing will please
3 come to order.

4 We'll call at this time Case 7392.

5 MR. PEARCE: Application of Sam H.
6 Snoddy for an unorthodox gas well location in the oil-potash
7 area, Lea County, New Mexico.

8 MR. JENNINGS: I'm James T. Jennings
9 appearing on behalf of the applicant and we will have one
10 witness, and Mr. Examiner, I would present you a set, and if
11 Mr. Pearce would be so kind as to mark his as we go along,
12 he will also have one.

13 MR. PEARCE: I'll be glad to.

14
15 (Witness sworn.)

16
17 JAMES C. WHITTEN
18 being called as a witness and being duly sworn upon his oath,
19 testified as follows, to-wit:

20
21 DIRECT EXAMINATION

22 BY MR. JENNINGS:

23 Q Would you please state your name, occu-
24 pation, place of residence, and prior experience?

25 A My name is James C. Whitten. I'm a

petroleum geologist. I reside -- my office is at 1240 Gibraltar Building. I have a -- I'm a graduate geologist who has been practicing petroleum geology for 25 years.

Q Mr. Whitten, are you associated with Mr. Sam Snoddy?

A. I am.

Q What's the nature of your relationship?

A. Well, he and I have an interest in this prospect.

Q Mr. Whitten, have you previously appeared before this Commission and testified as an expert witness on many occasions?

A. I have.

Q By Humble and others?

A. Yes, Humble as well as a consultant on my own.

MR. JENNINGS: Are the witness' qualifications acceptable?

MR. STAMETS: He is considered qualified.

Q Mr. Whitten, are you familiar with the application, the facts of the application, filed herein?

A. Yes.

Q Would you very briefly explain to the

1
2 commissioner what's the nature of the application?

3 A We have -- Mr. Snoddy has staked a loca-
4 tion, a standard location on the acreage which we have as a
5 farmout from Pelmont Oil Company, as well as have an interest
6 in the lease ourselves, and this standard location of 660
7 from the north, 1980 from the east line of Section 26, 20
8 South, 32 East, falls right on a pipeline, Gas Company of
9 New Mexico pipeline. In fact it's five feet from the line.

10 Q And as a consequence of that you filed
11 this application?

12 A That is correct.

13 Q Is this application for a non-standard
14 location?

15 A It is.

16 Q And is it also located in the potash
17 area?

18 A Yes, it is.

19 Q All right. Now, refer to what has been
20 marked as Snoddy Exhibit Number One, if you would, please,
21 Mr. Whitten, and explain that.

22 A This is a well location and acreage
23 dedication plat showing the location that was staked, standard
24 location that was staked, and it describes the Gas Company
25 of New Mexico pipeline crossing the location. There's also

1
2 a pipeline to the Kerr McGee plant in blue. I don't know
3 what kind of pipeline that is but I was out on the site and
4 it definitely interferes with that location, or does cross
5 the location, the pad.

6 So we definitely, it's because of topo-
7 graphical reasons we definitely have to select another site.

8 Q Well, now, Exhibit Number One is actually
9 the C-102 which you would have filed originally.

10 A That's correct.

11 Q And that is the orthodox location.

12 A Right.

13 Q Mr. Whitten, would you please refer to
14 what has been marked as Exhibit Number Two and, this map, and
15 tell briefly what that is?

16 A This is an acreage plat showing the
17 ownership of all our acreage as well as adjacent acreage.
18 It shows colored in green the Penn gas wells in the Salt Lake
19 South Field. There's a trend coming from the southeast on
20 up toward our acreage. We have three dry holes to the north
21 of us, at least dry in the Penn, the objective Penn formation,
22 the David Faskins No. 1 Baetz, B-A-E-T-Z, was drilled in
23 Section 23 to the north; was tested in the Penn and found
24 to be uncommercial and plugged back to a Bone Springs com-
25 pletion. In Section 14 the Belco No. 1 "TL" has just recently

been plugged. It was a Morrow test. As well as the, in Section 13 the Flag Redfern Harrison State was tested in the Penn and plugged back to the Bone Springs. The Penn was found to be noncommercial.

So we're at the end of this trend. Our location is unorthodox. It does crowd to the north and east, and for this reason I've -- for the reason I've shown the proration units and our offset operators. We're not crowding their well; we're crowding their proration unit, true, but we're not crowding their well, and there is no development of Penn to the north of us.

Q Do you propose to dedicate the north half of Section 23?

A. That's right.

Q And the well's to be located 660 from the north and east lines.

A. That is correct.

Q And I believe, is there a proration -- is there a -- the adjoining proration unit to the east covers the north half of Section --

A. Correct.

Q And then is there an unorthodox proration unit in -- comprising of the southwest of 25 and the northwest of 36?

1
2 A. That's correct, and that's dedicated to
3 the Grace Petroleum No. 2 Felmont Federal.

4 Q. And there's also a well located in the
5 southeast quarter of Section 25.

6 A. Yes.

7 Q. And what is dedicated to that well?

8 A. 160 acres.

9 Q. But that is a Penn well.

10 A. Yes.

11 Q. All right, you did --

12 A. We thought --

13 Q. Excuse me, go ahead.

14 A. We thought at one time of turning the
15 dedicated acreage -- dedicate the acreage on the east half
16 of Section 26 but a normal location would be 660 from the
17 east and 1980 from the north and would fall in a potash area
18 that we're trying to get away from this potash area, and I've
19 got another map that we'll go to later that shows these.

20 Q. Mr. Whitten, would you refer to the appli-
21 cation which was filed herein on your behalf and state if
22 all the -- if it reflects that all the offset operators were
23 notified of this hearing by certified mail?

24 A. It -- they have been, yes.

25 Q. And was also the operator of the potash

1
2 area and the USGS given notice?

3 A. They have. They have been, yes.

4 Q. Would you now refer to what has been
5 marked as Exhibit Three and just identify that and tell what
6 it is?

7 A. I contacted Mr. John Burleson with the
8 USGS and he's supervisor for, I think, the potash activity in
9 Carlsbad, and he sent me a map showing -- and this is a map
10 which you have a copy of, I have the original if you'd like
11 to look at it -- showing the area as he mentions colored in
12 yellow, which shows the measured ore. The remainder of Sec-
13 tion 26 is open for oil and gas drilling. That's his --
14 that's a quote from his note.

15 So we located the well 660 from the
16 north and east and it falls just barely outside the area,
17 but it is outside of the area that -- or inside the area he
18 said would be okay for oil and gas drilling.

19 Q. Mr. Whitten, will you refer to that
20 exhibit, and I understand you have the original of that in
21 your possession.

22 A. Yes, right.

23 Q. And would you read to the Examiner the
24 note from Mr. Burleson of the USGS?

25 A. It's addressed to me, dated 6-12-81 and

reads as follows:

As discussed with you by phone this date herewith is the ore zone map. I have colored the measured ore as yellow. The remainder of Section 26 is open for oil and gas drilling. If I can help further, let me know.

Q And it's pursuant to this that you selected this location.

A That is correct. As you can see from this map, a standard location running the proration unit as having the entire east half as the proration unit this 1980 from the north line would run it down into the measurable ore area, so we didn't -- we couldn't file an orthodox location there because of the potash.

Q Was the original of this map and this letter received by you in the ordinary course of business?

A Yes, it was.

Q Now, would you now refer to what has been marked as Exhibit Number Four, please, Mr. Whitten, and would you discuss the map and explain it?

A Yes. This is a structure map prepared by me on top of the Morrow limestone and shows a map in the area of Salt Lake South Field and this referred to acreage.

We anticipate the possibility that it

1 would be -- or the location could be located actually further
2 west than it is, but we would request that it be located
3 660 from the north and east lines because we want to obtain
4 a higher structural position in this area.
5

6 Now, the -- if you'll note, the Faskin
7 Baetz Well, which is in Section 23, the Flag Redfern Well in
8 Section 13, are both lower structurally. Also note that in
9 Section 25 the Grace No. 2 Belmont Federal is relatively
10 low. These dry holes up here and the fact that the Grace
11 No. 2 Belmont Federal is a very poor well causes us to want
12 to drill higher on the structure. It is my belief that
13 higher on the structure the sands are there but the higher
14 on the structure you are the more fracturing you have, more
15 porosity and permeability.

16 If you'll note in Section 13 I have 72
17 feet of net pay on that Flag Redfern well. It's great, it's
18 a lot of pay but -- a lot of sand, I should label that sand,
19 there's a lot of sand but it's impermeable and we need the
20 structural position. The high structural wells are the wells
21 high on the structure that have more permeability, and this
22 is our desire to drill as far east as it would be possible,
23 and still be legal.

24 Q Mr. Whitten, if you do not drill at this
25 location will it be necessary for you to whipstock the well?

1
2 A. It will.

3 Q. Have you had any experience with drilling
4 wells and have you looked into the cost of drilling such a
5 well and whipstocking it in an orthodox location?

6 A. I have. I was witness for the case in
7 which -- in fact three hearings we had in order to get these
8 two wells drilled in Section 25, the Grace No. 1 Felmont
9 Federal and the Grace No. 2 Felmont Federal. Those holes
10 were deviated or whipstocked and I was in close contact with
11 the operator when they performed the job and I have an interest
12 in those wells and know what the costs are.

13 The No. 1 Felmont Federal cost \$2.6-million
14 and the No. 2 cost \$2.7-million, and I recently asked the
15 operator, Grace, who has a number of wells in the area what
16 would be a cost of a well drilled vertically without any
17 problems, and the last well they drilled was the 1-G New
18 Mexico Federal in Section 6 of 21 South, 32 East, and the
19 cost on that was \$1.6-million.

20 By that you can presume that it would
21 be in the neighborhood of a million dollars more to directionally
22 drill a hole.

23 Grace, the Grace manager himself told
24 me it's just about double by the time you tie in everything,
25 all the costs.

Q. Mr. Whitten, in your opinion would the granting of this application for this unorthodox location result in the prevention of waste?

A. Yes.

Q. Do you feel that it will violate the correlative rights of any of the offset operators or of the potash company?

A. I do not.

MR. JENNINGS: I believe that's all we have at this time.

One other question.

Q. Were Exhibits Numbers One, Two, and Four prepared by you?

A. That is correct.

Q. And Exhibit Number Three is a document received in the ordinary course of business by you?

A. Yes.

MR. JENNINGS: We have two other exhibits which we wish to offer at this time, Exhibit Five and Exhibit Six, which are return cards from the notices given to the offset operators and to the potash company and to the USGS.

MR. STAMETS: All right, all of these exhibits will be admitted.

Are there any questions of this witness?

1
2 He may be excused.

14

3
4 Anything further in this case?

5 The case will be taken under advisement.

6
7 (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 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 C.S.R.

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 transcript of the hearing held in the Oil Conservation Division, No. 7392, heard on 10-21, 1981.

Richard S. Stone, Examiner
Oil Conservation Division

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form G-102
Supersedes G-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section

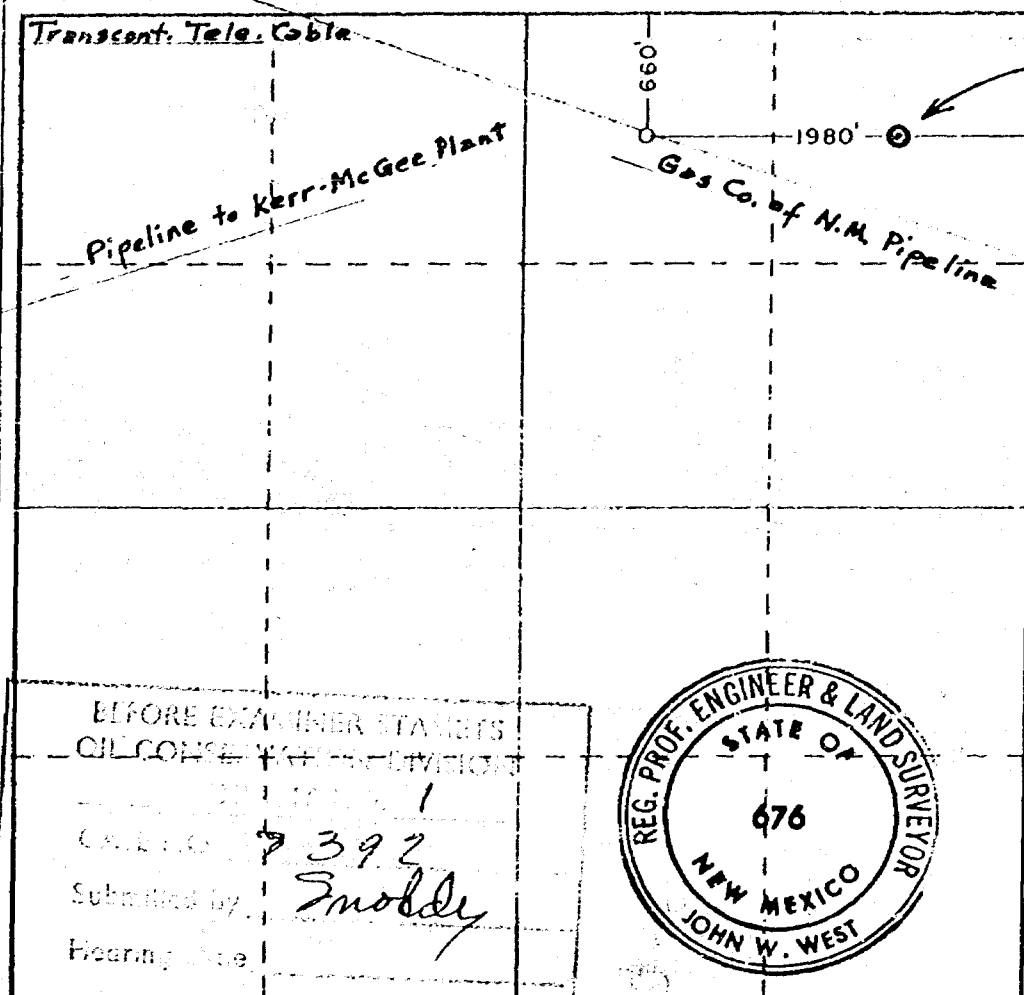
Operator Sam H. Snoddy			Lease Sam H. Snoddy		Well No. 1
Unit Letter B	Section 26	Township 20 South	Range 32 East	County Lea	
Actual Footage Location of Well: 360 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3552.3'	Producing Formation		Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

Proposed Location

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____

Position _____

Company _____

Date _____

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

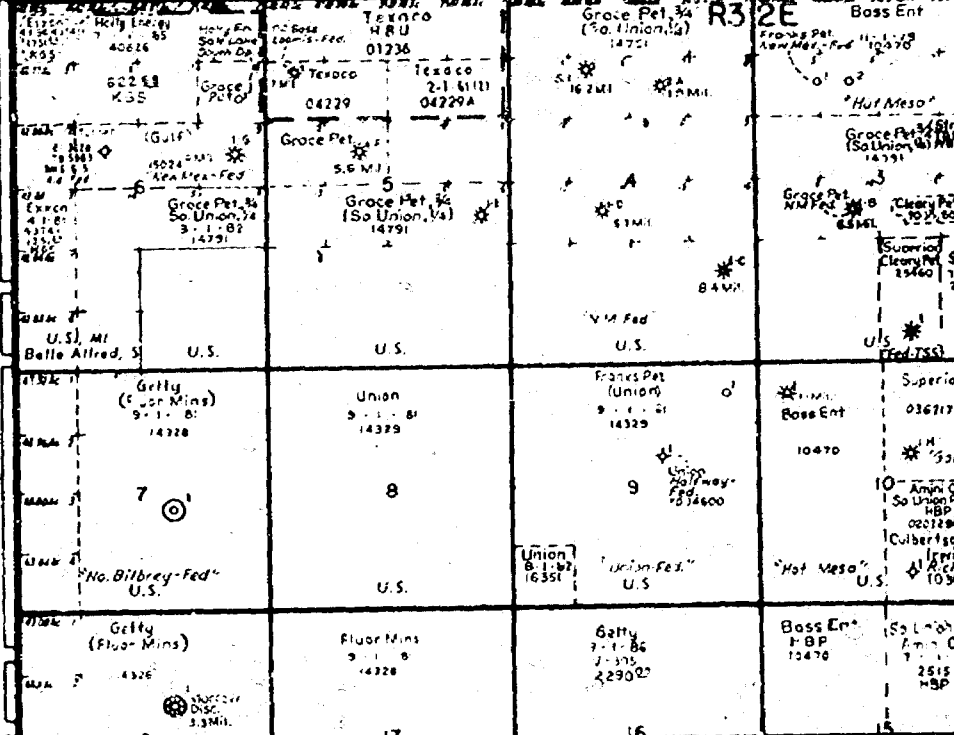
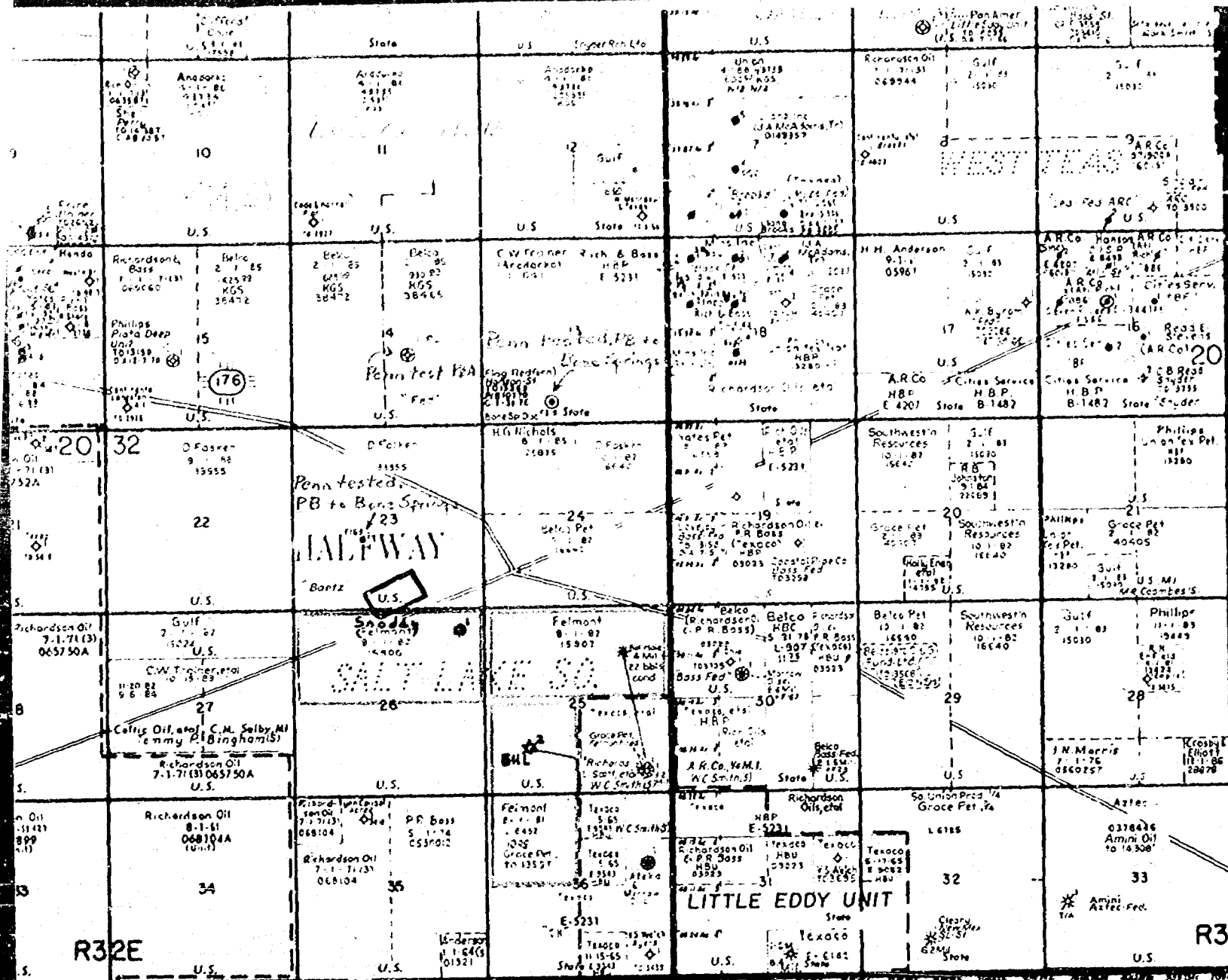
Date Surveyed _____

Sept. 21, 1981

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 8463
Ronald J. Eidson 3239

0 300 600 900 1200 1500 1800 2100 2400 2700 3000 3300 3600 3900 4200 4500 4800 5100 5400 5700 6000



PS Form 3811, Aug. 1978

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 411 Petroleum Building
 Midland, Texas 79701

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Raymond Hargis

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PS Form 3811, Aug. 1978

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Snoddy OCC		
9/30/81		

PS Form 3800, Apr. 1976

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Snoddy OCC

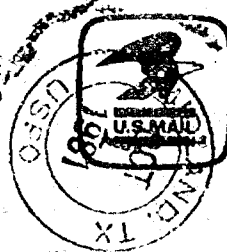
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ST-GPO: 1979 302-878

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cc: CERTIFIED MAIL

David Fasken

Belco Petroleum Company

Grace Petroleum Company

Gulf Oil Company

C. W. Trainer

Bass Enterprises Producing Co.

S. W. Richardson, Inc.

cc: UNCERTIFIED

Sam H. Snoddy

BEFORE EXAMINER TESTS
OF COMPOSITION IN LONDON

CASE NO. 7392

Submitted by

Snoddy

Hearing Date

comply with all of the provisions of Order R-111-A and all other applicable rules incident to the drilling, testing, completing and producing of said well.

Respectfully,

JENNINGS & CHRISTY

By

S. B. Christy IV
S. B. Christy IV
P. O. Box 1180
Roswell, New Mexico 88201
(505) 622-8432
Attorneys for Applicant

cc: CERTIFIED MAIL
United States Geological Survey
P. O. Box 26124
Albuquerque, New Mexico 87125

Kerr-McGee Corporation
Kerr-McGee Center
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma

cc: UNCERTIFIED
Mr. Sam H. Snoddy

BEST AVAILABLE COPY

BEFORE THE UNITED STATES
OIL CONSERVATION DIVISION

Case No. 2292
Submitted by Snoddy
Hearing Date

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 the 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. Stametz, 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 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 7379: 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 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 TXO 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 18 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.

BEST AVAILABLE COPY

- 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

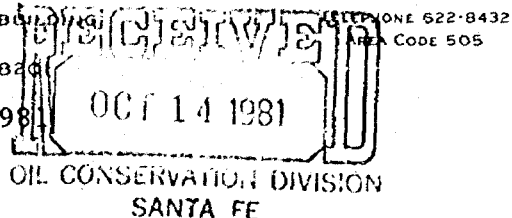
22 South, 21 and 22 East,

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

JAMES T. JENNINGS
SIM B. CHRISTY IV
DEAN G. CONSTANTINE

LAW OFFICES OF
JENNINGS & CHRISTY
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88203

October 12, 1981



Dan Nutter, Examiner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Sam H. Snoddy
for an Exception to R-111-A

Dear Dan:

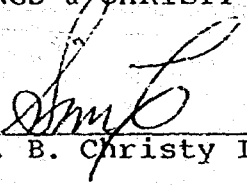
We received notification of hearing on Snoddy's application for unorthodox well location in case 7392 set before you on October 21. However, this docket did not include Snoddy's companion application for an exception to R-111-A, and I am wondering if it needed to be advertised, and if so perhaps we should pass case 7392 until both cases can be heard at the same time. My understanding from Mr. Snoddy is that there is no great rush on the drilling.

I would appreciate your advice.

Best personal regards,

JENNINGS & CHRISTY

By


S. B. Christy IV

SBC:pv

cc: Mr. Sam H. Snoddy

JAMES T. JENNINGS
SIM B. CHRISTY IV
DEAN G. CONSTANTINE

LAW OFFICES OF
JENNINGS & CHRISTY
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-8432
AREA CODE 505

September 30, 1981

Dan Nutter, Examiner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 7392

Dear Mr. Nutter:

Enclosed in triplicate are two Applications by our client Sam H. Snoddy; one for an unorthodox well location, and one for permission to drill under R-111-A, both concerning lands in the N $\frac{1}{2}$ Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

It would be appreciated if the Division would consider setting these Applications for Examiner hearing at your earliest convenience.

Respectfully,

JENNINGS & CHRISTY

By

[Signature]
S. B. Christy IV

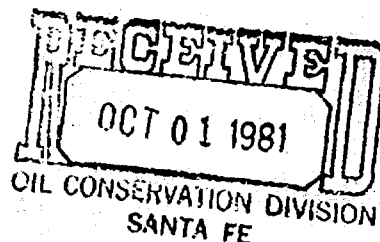
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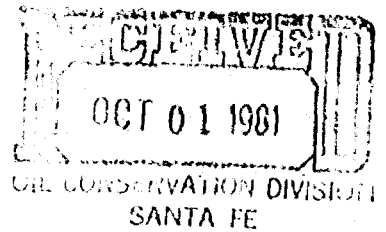
Encl.

cc: Mr. Sam H. Snoddy

HC
CB
SF

*Send copy of
Docket to
Kerr McGee*





BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SAM H. SNODDY FOR DRILLING AN
OIL AND GAS TEST WELL PURSUANT
TO ORDER R-111-A, LEA COUNTY,
NEW MEXICO

Case No. 7392

APPLICATION

COMES NOW Sam H. Snoddy and pursuant to Order R-111-A of the Oil Conservation Division hereby makes application to drill a test well in search of oil or gas in Lea County, New Mexico, and states:

1. Applicant is the owner of a farmout from the record title holder, Felmont Oil Corporation, covering United States of America Lease NM-15906 as to:

Township 20 South, Range 32 East, N.M.P.M.
Section 26: N $\frac{1}{2}$

2. Applicant proposes to drill a well, in search of oil or gas, at a location approximately 660 feet from the North line and 660 feet from the East line of said Section 26.

3. Applicant hereby requests the Oil Conservation Division to grant permission to drill said well and states that in his opinion the granting of this Application will result in the prevention of waste and will not violate the correlative rights of any parties. Applicant agrees to

comply with all of the provisions of Order R-111-A and all other applicable rules incident to the drilling, testing, completing and producing of said well.

Respectfully,

JENNINGS & CHRISTY

By

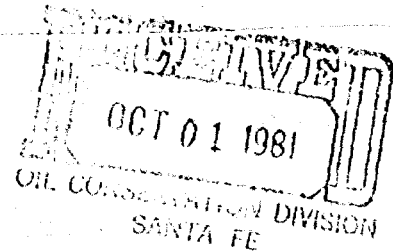


S. B. Christy IV
P. O. Box 1180
Roswell, New Mexico 88201
(505) 622-8432
Attorneys for Applicant

cc: CERTIFIED MAIL
United States Geological Survey
P. O. Box 26124
Albuquerque, New Mexico 87125

Kerr-McGee Corporation
Kerr-McGee Center
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma

cc: UNCERTIFIED
Mr. Sam H. Snoddy



BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SAM H. SNODDY FOR AN UNORTHODOX
WELL LOCATION, LEA COUNTY, NEW MEXICO

Case No. 7392

APPLICATION

COMES NOW Sam H. Snoddy and requests the Oil Conservation Division grant him permission to drill a well, in search of oil and gas, at an unorthodox well location, in Lea County, New Mexico, and states:

1. Applicant is the owner of a farmout from the record title holder, Felmont Oil Corporation, covering United States of America Lease NM-15906 as to:

Township 20 South, Range 32 East, N.M.P.M.
Section 26: N $\frac{1}{2}$

2. Applicant proposes to drill a well to test the Morrow formation, and if hydrocarbons are found in paying quantities to dedicate to said well the N $\frac{1}{2}$ of said Section 26.

3. A standard location for the proposed well would be 660 feet from the North line and 1980 feet from the East line of said Section 26. However, for topographical reasons it is infeasible and impractical to drill at a standard location. Gas Company of New Mexico pipeline right of way would run within 20 feet of a standard location, and there is also, within close proximity to a standard location a telephone cable and a gas line to the Kerr-McGee plant. As a consequence, Applicant proposes to drill such well at a location approximately 660 feet from the North line and 660 feet from the East line of said Section 26.

4. Offset operators who might be affected by this

Application are:

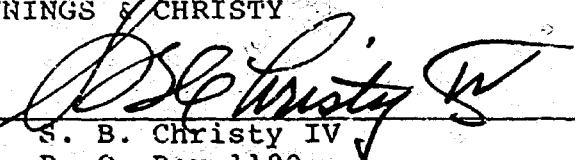
<u>Name and Address</u>	<u>Lands (20S/32E)</u>
David Fasken First National Bank Building Midland, Texas 79701	Sections 22 and 23
Belco Petroleum Company 411 Petroleum Building Midland, Texas 79701	S½ Section 24
Grace Petroleum Company 9th Floor Western United Life Building Midland, Texas 79701	Section 25
Gulf Oil Company P. O. Box 3725 Houston, Texas 77001	N½N½ Section 27
C. W. Trainer 9205 Highway 71 West Austin, Texas 78736	S½N½, N½S½ Section 27
Bass Enterprises Producing Co. S. W. Richardson, Inc. Fort Worth National Bank Bldg. Fort Worth, Texas 76102	S½S½ Section 27, Sections 34 and 35
Grace Petroleum Company (Same as above)	NW¼ Section 36

5. Applicant states that in his opinion the granting of this Application will result in the prevention of waste and will not violate the correlative rights of any interested party.

WHEREFORE, Applicant prays that following notice and hearing that he be granted the right to drill a well at an unorthodox well location per above.

JENNINGS & CHRISTY

By


S. B. Christy IV
P. O. Box 1180
Roswell, New Mexico 88201
(505) 622-8432
Attorneys for Applicant

cc: CERTIFIED MAIL

David Fasken

Belco Petroleum Company

Grace Petroleum Company

Gulf Oil Company

C. W. Trainer

Bass Enterprises Producing Co.

S. W. Richardson, Inc.

cc: UNCERTIFIED

Sam H. Snoddy

DRAFT

dr/

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:

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CASE NO. 7392

ORDER NO. R-6834

APPLICATION OF SAM H. SNODDY

FOR AN UNORTHODOX GAS WELL LOCATION IN THE OIL-POTASH AREA,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 21, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

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

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sam H. Snoddy, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line of Section 26, Township 20 South, Range 32 East, Oil-Potash Area, NMPM, to test the Pennsylvanian formation, Lea County, New Mexico.

(3) That the N/2 of said Section 26 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit and will permit the well to be located more distant from a gas pipeline.
(5) That no offset operator objected to the proposed unorthodox location.

-2-

Case No. _____
Order No. R- _____

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(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

The application of Sam W. Snoddy for

(1) That an unorthodox gas well location for the Pennsylvanian

formation is hereby approved for a well to be located at a point 660
feet from the North line and 660 feet from the East

line of Section 26, Township 20 South, Range 32 East
Oil-Potash Area, Lea County,
NMPM, A

New Mexico.

(2) That the N/2 of said Section 26 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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