

CASE NO.

7561

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
28 April 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Franks Petroleum, Inc.  
for an unorthodox gas well location,  
Lea County, New Mexico.

CASE  
7561

BEFORE: Daniel S. Nutter

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:

W. Thomas Kellahin, Esq.  
KELLAHIN & KELLAHIN  
500 Don Gaspar  
Santa Fe, New Mexico 87501

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I N D E X

WILLIAM J. "BILL" HENRY

Direct Examination by Mr. Kellahin	3
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E X H I B I T S

Applicant Exhibit One, Plat	4
Applicant Exhibit Two, Map	6

1  
2 MR. NUTTER: We'll call next Case Number  
3 7561.

4 MR. PEARCE: That is the application of  
5 Franks Petroleum, Inc., for an unorthodox gas well location,  
6 Lea County, New Mexico.

7 MR. KELLAHIN: If the Examiner please, I'm  
8 Tom Kellahin of Santa Fe, New Mexico, appearing on behalf of  
9 the applicant, and I have one witness.

10  
11 (Witness sworn.)

12  
13 WILLIAM J. "BILL" HENRY  
14 being called as a witness and being duly sworn upon his oath,  
15 testified as follows, to-wit:

16  
17 DIRECT EXAMINATION

18 BY MR. KELLAHIN:

19 Q Mr. Henry, for the record would you please  
20 state your name and occupation?

21 A My name is William J. "Bill" Henry and  
22 I'm a consultant geologist representing Franks Petroleum and  
23 I live in MIDland, Texas.

24 Q Mr. Henry, have you previously testified  
25 before the Division and had your qualifications as a geologist

1  
2 accepted and made a matter of record?

3 A Yes, I have.

4 MR. KELLAHIN: We tender Mr. Henry as an  
5 expert geologist.

6 MR. NUTTER: Mr. Henry is qualified.

7 Q Mr. Henry, let me direct your attention  
8 to what we've marked as Applicant Exhibit Number One and have  
9 you identify that plat and summarize what the applicant is  
10 seeking to accomplish.

11 A Yes, this is a land plat of Franks Petro-  
12 leum's lease in Section 9 of 21, 32, in the Hat Mesa-South  
13 Salt Lake Morrow Gas Field, and I have the proration unit and  
14 our proposed location outlined in red, which is the west half  
15 of Section 9 of Township 21 South, Range 32 East, Lea County,  
16 New Mexico.

17 Q Would you describe what the lease ownership  
18 is for the entire Section 9?

19 A Yes, this is a farmout from Union of  
20 California, which is a base lease of two sections less the  
21 southwest one-quarter of Section 9, which the other acreage  
22 is HBP by the existing well that is drilled in the northeast  
23 northeast of Section 9. The southwest quarter of Section 9,  
24 southwest southwest quarter, which is 40 acres, has a July  
25 31st expiration date and we are in the preparation of commun-

1  
2 itizing Section 9. We propose to drill the well in this pro-  
3 ration unit with a 320-acre proration unit.

4 Q Are there any Hat Mesa-Morrow gas wells in  
5 the east half of Section 9?

6 A In the east half, no.

7 Yes, in the east half, yes.

8 Q Yes, sir.

9 A Yes, sir.

10 Q And what is the status of that well, Mr.  
11 Henry?

12 A That well is the Franks No. 1 Union Federal.  
13 It was drilled and completed last year, last October, and they  
14 have a pipeline connection but they have had no sales.

15 Q Was that well the subject of an unorthodox  
16 location hearing?

17 A Yes, it was.

18 Q And what is the Division order number and  
19 date for that well, Mr. Henry?

20 A It's Case Number 7080, Order No. R-6541,  
21 and the date, the (not understandable) December, 1980.

22 Q All right, sir, what are you seeking by  
23 the application today?

24 A We're seeking to drill a well located 1980  
25 from the west and 60 from the north line of Section 9, Town-

1  
2 ship 21 South, Range 32 East.

3 Q All right, sir, let's turn to Exhibit Num-  
4 ber Two, then, and have you describe that for us.

5 A This is a geological map contoured on top  
6 of the Lower Morrow Shale, which is our best structural marker  
7 that we've found to depict the structure in the South Salt  
8 Lake-Hat Mesa Field.

9 You will notice that Union of California  
10 has a dry hole 1980 from the north and 1980 from the east of  
11 Section 9, which had the Morrow sands, but they were all tight  
12 and although they did have a show of gas, it was noncommen-  
13 cial.

14 Q In your opinion, Mr. Henry, is the proposed  
15 location the optimum location within the west half of Section  
16 9 from which to test the Morrow formation?

17 A Yes, I believe it is.

18 Q In your opinion will a well located at that  
19 location allow the ownership of the west half of Section 9  
20 to adequately protect its correlative rights with regards to  
21 the Morrow production?

22 A Yes, I believe it will.

23 Q Were Exhibits One and Two prepared by you  
24 or compiled under your direction?

25 A Yes, they were.

1  
2 MR. KELLAHIN: We move the admission of  
3 Exhibits One and Two.

4 MR. NUTTER: Applicant's Exhibits One and  
5 Two will be admitted in evidence.

6 Are there any questions of the witness?  
7

8 CROSS EXAMINATION

9 BY MR. NUTTER:

10 Q Mr. Henry, what was the potential on the  
11 well that was drilled in the northeast northeast of Section 9?

12 A I believe it was about 4-million per day.  
13 We developed a lower Morrow sand that we're completing from  
14 twelve feet that is not present, we think, in the other wells  
15 with the exception of a Bass well in the northwest northwest  
16 of 10. Those are the only two wells in this area that have  
17 exhibited production from this lower sand.

18 Bass ran a drill stem test on this zone  
19 but has not completed from it and they tested about 4-million  
20 a day with 6000 pounds bottom hole pressure, but it is behind  
21 pipe. They will complete it from up the hole.

22 And the lower sand that the Franks is com-  
23 pleted from has the upper sands but they are completed in  
24 the lowermost sand down around 14,200, and so at the present  
25 time it is the only well that I know in the field that is



1  
2 producing from this lower sand, or capable of producing from  
3 the lower sand.

4 Q When was the Bass well drilled?

5 A About six months prior. It was drilled in  
6 1980 and the Franks well was drilled in the fall of '81.

7 Q So what you were really attempting to do  
8 was offset the Bass production there with that unorthodox  
9 location in the northeast northeast of 9.

10 A Right.

11 Q And as a result now, since you've got seem-  
12 ingly productive lands in the northwest quarter at least of  
13 Section 9, it's going to take two wells to develop the --

14 A Right.

15 Q -- north half --

16 A Right.

17 Q -- whereas a standard location on the first  
18 well would have developed the north half with only one well.

19 A Well, you'll notice that we have extreme  
20 southwest dip there and we were trying to get up-dip from the  
21 Union well which had the sands but noncommercial. And like I  
22 said, we feel like although my map shows contourwise that we  
23 have a real good location there, 1980 from the west and 660  
24 from the north, there's still a lot of risk there because we  
25 could fall off -- the dip could steepen very much there and

1  
2 have a risky location, but we feel like we'll take that chance  
3 to drill a well.

4 Q And I presume the east half of 9 is dedi-  
5 cated to the well in the northeast northeast.

6 A Yes, sir, it is.

7 MR. NUTTER: Are there any further questions  
8 of Mr. Henry? He may be excused.

9 Do you have anything further, Mr. Kellahin?

10 MR. KELLAHIN: No, sir.

11 MR. NUTTER: Does anyone have anything  
12 they wish to offer in Case Number 7561?

13 We'll take the case under advisement.

14  
15  
16 (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 CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7261, heard by me on 4/28 1982.

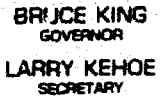
[Signature], Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193 B

Santa Fe, New Mexico 87501

Phone (505) 455-7409



POST OFFICE BOX 2068  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

May 13, 1982

Re: CASE NO. 7561  
ORDER NO. R-6972

Franks Petroleum, Inc.

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

JOE D. RAMEY  
Director

Copy of order also sent to:

Hobbs OCD	x
Artesia OCD	x
Aztec OCD	

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. 7561  
Order No. R-6972

APPLICATION OF FRANKS PETROLEUM, INC.  
FOR AN UNORTHODOX GAS WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 28, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of May, 1982, 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, Franks Petroleum, Inc., seeks approval of an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, NMPM, to test the Morrow formation, Hat Mesa-Morrow Gas Pool, Lea County, New Mexico.
- (3) That the W/2 of said Section 9 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.
- (5) That no offset operator objected to the proposed unorthodox location.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable

-2-

Case No. 7561  
Order No. R-6972

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.

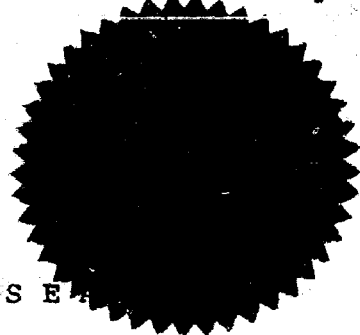
IT IS THEREFORE ORDERED:

(1) That the application of Franks Petroleum, Inc. for an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 660 feet from the North line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, NMPM, Hat Mesa-Morrow Gas Pool, Lea County, New Mexico.

(2) That the W/2 of said Section 9 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.



S E 4

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY,  
Director



A.C.F. MICROGRAPHICS



AVAILABLE COPY

BEFORE EXAMINER NUTTER  
OIL CONSERVATION DIVISION

*Franks* EXHIBIT NO. 1  
CASE NO. 7561



Dockets Nos. 11-82 and 14-82 are tentatively set for May 12 and May 26, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - APRIL 22, 1982

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

CASE 7509: (Continued and Readvertised)

Application of Supron Energy Corporation for a non-standard proration unit or compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit for the Dakota and Mesaverde formations comprising the SW/4 of Section 2, Township 31 North, Range 8 West, or in the alternative, an order pooling all mineral interests from the surface down through the Dakota formation underlying the S/2 of said Section 2, 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 7535: (Continued and Readvertised)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SW/4 of Section 17, Township 6 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 7551: (Continued from April 14, 1982, Examiner Hearing)

Application of Fred Pool Drilling Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the SW/4 of Section 17, Township 6 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.

\*\*\*\*\*

Docket No. 12-82

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 28, 1982

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

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

CASE 7530: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Charles H. Heisen, Fidelity and Deposit Company of Maryland, Surety, and all other interested parties to appear and show cause why the Crownpoint Well No. 1, located in Unit F, Section 18, Township 18 North, Range 13 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7469: (Continued from March 31, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H. M. Bailey & Associates, Commercial Union Insurance Company, and all other interested parties to appear and show cause why the following wells on the H. M. Bailey Lease, Township 21 South, Range 1 West, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program: In Section 10: Nos. 9 in Unit A, 9, 11, 12, and 13 in Unit B, 10 and 14 in Unit C, and No. 15 in Unit C of Section 9.

CASE 7458: (Continued from March 3, 1982, Examiner Hearing)

Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit M of Section 12, Township 9 South, Range 35 East.

CASE 7561: Application of Franks Petroleum, Inc. for an unorthodox gas 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 line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, Hat Mesa-Morrow Gas Pool, the W/2 of said Section 9 to be dedicated to the well.

CASE 7565: Application of Della Drilling Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Mescalero Unit Area, comprising 719.77 acres, more or less, of State, Fee and Federal lands in Townships 9 and 10 South, Range 32 East.

CASE 7544: (Continued and Readvertised)

Application of Dinero Operating Company 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-Ellenberger well to be drilled 660 feet from the North and East lines of Section 20, Township 22 South, Range 28 East, the N/2 of said Section 20 to be dedicated to the well.

CASE 7562: Application of Northwest Exploration Company for pool creation and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Gallup-Dakota oil pool for its Gavilan Well No. 1 located in Unit A of Section 26, Township 25 North, Range 2 West, with special rules therefor, including provisions for 160-acre spacing.

CASE 7519: (Continued from March 31, 1982, Examiner Hearing)

Application of S & J Oil Company for special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Seven Lakes-Menafee Oil Pool to provide for well to be located not nearer than 25 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator.

CASE 7563: Application of Marathon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all Permian formations underlying the NE/4 NE/4 of Section 26, Township 16 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 7457: (Continued from March 16, 1982, Examiner Hearing)

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 7564: 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 from the surface down through the Abo formation underlying the NW/4 of Section 30, Township 6 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 7445: (Continued from March 16, 1982, Examiner Hearing - This Case will be continued to May 26, 1982)

Application of Harvey E. Yates Company for an NGPA 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.

Page 3 of 3  
EXAMINER HEARING - WEDNESDAY - APRIL 28, 1982

CASES 7524 THRU 7534: (Continued from March 31, 1982, Examiner Hearing)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following 11 cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case 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 7524: SE/4 Section 2, Township 5 South, Range 24 East

CASE 7525: SW/4 Section 3, Township 5 South, Range 24 East

CASE 7526: NW/4 Section 3, Township 5 South, Range 24 East

CASE 7527: SE/4 Section 3, Township 5 South, Range 24 East

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7530: NW/4 Section 11, Township 6 South, Range 24 East

CASE 7531: SW/4 Section 11, Township 6 South, Range 24 East

CASE 7532: SE/4 Section 27, Township 6 South, Range 24 East

CASE 7533: SW/4 Section 27, Township 6 South, Range 24 East

CASE 7534: NW/4 Section 34, Township 6 South, Range 24 East

KELLAHIN and KELLAHIN

Attorneys at Law

500 Don Gaspar Avenue

Post Office Box 1769

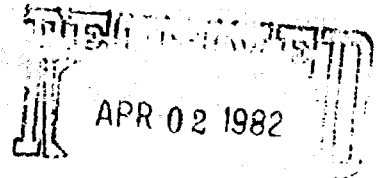
Santa Fe, New Mexico 87501

Jason Kellahin  
W. Thomas Kellahin  
Karen Aubrey

Telephone 982-4285  
Area Code 505

April 1, 1982

Mr. Joe Ramey  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Re: Franks Petroleum Inc.

Dear Joe:

Case 7561

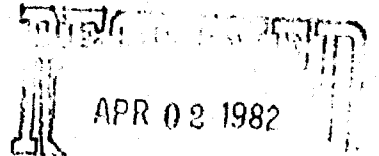
Please set the enclosed Application for the next  
examiner hearing scheduled for April 28, 1982.

Very truly yours,

  
W. Thomas Kellahin

WTK:rb  
Enclosure  
cc: Mr. Bill Henry

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



IN THE MATTER OF THE APPLICATION  
OF FRANKS PETROLEUM INC., FOR AN  
UNORTHODOX WELL LOCATION, LEA  
COUNTY, NEW MEXICO

*Case 7561*

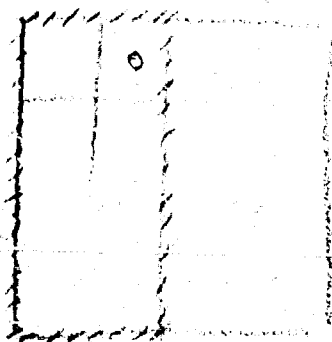
A P P L I C A T I O N

COMES NOW FRANKS PETROLEUM INC., and applies to the Oil Conservation Division of New Mexico for approval of an unorthodox well location adjacent to the Hat Mesa-Morrow Gas Pool, at a location 660 feet from the North line and 1980 feet from the West line of Section 9, T21S, R32E, N.M.P.M., for a Morrow test to which the W/2 of said Section will be dedicated, and in support thereof would show:

1. Applicant is the owner of the right to drill and develop the Morrow formation in the area involved in this application.

2. Applicant proposes to drill its No. 2 Union Federal well to test the Morrow formation at an unorthodox well location 660 feet from the North line and 198 feet from the West line of said Section 9, T21S, R32E, Lea County, New Mexico.

3. A well located as proposed will recover gas that would not otherwise be recovered, is in the best interests of conservation, the prevention of waste and the protection of correlative rights.



WHEREFORE, applicant requests that this application be set for an examiner hearing and that after notice and hearing the application be granted as requested.

FRANKS PETROLEUM INC.

KELLAHIN & KELLAHIN

By 

W. Thomas Kellahin

P. O. Box 1769

Santa Fe, New Mexico 87501

505-982-4285

ATTORNEYS FOR FRANKS PETROLEUM INC.

*Herb's  
Cave*

*JGR*

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. 7561

Order No. *R-6972*

*PLS*

APPLICATION OF FRANKS PETROLEUM, INC.  
FOR AN UNORTHODOX GAS WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

*[Signature]*  
*WIP*  
*MS*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 28,  
1982, at Santa Fe, New Mexico, before Examiner Daniel S.  
Nutter.

NOW, on this \_\_\_\_\_ day of May, 1982, 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, Franks Petroleum, Inc., seeks approval of an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, NMPM, ~~South Salt Lake Field~~ <sup>has</sup> to test the Morrow formation, Hat Mesa-Morrow Pool, Lea County, New Mexico.

^

(3) That the W/2 of said Section 9 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.

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

(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 Franks Petroleum, Inc. for an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 660 feet from the North line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, NMPH, <sup>Hat Mesa - Morrow gas Pool,</sup> Lea County, New Mexico.

^

(2) That the W/2 of said Section 9 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.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

JOE D. RAMEY,

Director

S E A L



*Don't  
know  
what  
it is*

CASE 7562: NORTHWEST EXPLOSION COMPANY  
FOR POOL CREATION AND SPECIAL POOL RULES  
RIO ARIBA COUNTY, NEW MEXICO

~~Count to  
May 26~~

~~Dismiss~~

DOCKET MAILED

Date 4/21/82  
5/14/82

Date ~~4/11/82~~ 5/14/82  
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