

DOCKET MAILED

DATE 7/26/82

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Wiser Oil Company for
an unorthodox well location, Lea
County, New Mexico.

CASE
7623

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Thomas C. H. Mills, Esq., for
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
117 N. Guadalupe
P. O. Box 2265
Santa Fe, New Mexico 87501

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I N D E X

BILL SINGLETARY

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1
2 MR. STAMETS: We will call next Case 7628.

3 MR. MILLS: Application of Wiser Oil Com-
4 pany for an unorthodox well location, Lea County, New Mexico.

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

8
9 (Witness sworn.)

10
11 BILL SINGLETARY

12 being called as a witness and being duly sworn upon his oath,
13 testified as follows, to-wit:

14
15 DIRECT EXAMINATION

16 BY MR. KELLAHIN:

17 Q Mr. Singletary, would you please state
18 your name and occupation?

19 A Yes, sir. My name is Bill Singletary.
20 I'm Area Production Superintendent for the Wiser Oil Company,
21 over the State of New Mexico.

22 Q Mr. Singletary, did you appear on behalf
23 of Wiser Oil Company at the Examiner Hearing held on February
24 17th, 1982, in Case Number 7482?

25 A Yes, I did.

Q And you're appearing today on behalf of Wiser Oil Company with regards to one of the wells involved in the first hearing?

A Yes, that's true.

MR. KELLAHER: Mr. Stamets, we tender Mr. Singletary as an expert witness.

MR. STAMETS: He is considered qualified.

Q Mr. Singletary, let me refer you to what we've marked as Applicant Exhibit Number One, which I believe is a location plat.

A All right.

Q And if you'll describe in general what you requested of the Division back in February and the reasons for your hearing today.

A Yes, sir. In February we requested unorthodox or a nonstandard location, which was on Exhibit Two, which was the Downs "A" Well NO. 5.

We asked for this location to determine if there was any more available oil in that 4-section, or 4-quarter sections there.

We drilled this well. We were granted the right to drill this well. We drilled it on the location shown on Exhibit Two.

Q What was the footage location of the first

well?

A The footage location on the first one was 1295 from the south line, 1345 feet from the west line of Section 32, 21 South, 37 East, in the Penrose Skelly Pool of Lea County, New Mexico.

Q All right, sir, did you drill that well?

A Yes, sir, we drilled the well.

Q And was it economic?

A It is economic. Its production now, I have a production on this No. 5 Well through May and June. The production on this well in June and May was 215 barrels of oil; 5 million -- 5368 Mcf of gas; water very negligible, maybe 1/2 a barrel a day.

Q The 215 was per month?

A For the month of May, yes, sir.

Q All right, sir.

A For the month of June, Well "A" No. 5 produced 350 barrels of oil and an estimated 5000 Mcf of gas.

And I don't have the July production yet but the latest test showed that it is now making about 15 or 16 barrels of oil a day, practically water-free. The gas has dropped somewhat to an estimated, probably, 2000 Mcf per month.

We found out with the other four wells that

1
2 were in those quarter sections, they were drilled in '38. We
3 had no logs on them. They were all open hole. Attempts to
4 frac or treat these wells are virtually impossible due to open
5 hole, and the fact they were completed with nitroglycerin.

6 So we drilled the No. 5. We logged it,
7 run a full set of logs. We found the producing formation,
8 selective perforated, acidized, and fraced, and we found that
9 indeed, these four wells haven't drained that 160 acres.

10 So in the hearing today we propose to
11 drill "A" No. 6, which is in Exhibit One, which will be
12 located 1345 from the south line and 660 from the west line
13 in Unit L, Section 32, 21 South, 37 East.

14 This is virtually a west offset location
15 to the No. 5 Well. We believe by drilling between these two
16 west wells we'll probably come up with pretty well the same
17 kind of a well that our No. 5 showed, which we feel will be
18 economical and will help drain that 160 acres that we have
19 there.

20 Q All right, sir, let's continue, and if
21 you'll look at Exhibit Number Three and identify that for us.

22 A Exhibit Number Three is a production curve
23 on the Downs "A" No. 1, 1980, '81, and '82. You can see that
24 it is very marginal well at this time and is practically
25 non-commercial.

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Q All right, sir, Exhibit Number Four?

A Exhibit Number Four shows the Downs "A" No. 4, which is also one of the wells that was drilled in the early -- or late thirties, and it will show that the oil production is down to where it is hardly commercial.

Q All right, sir, Exhibit Five?

A Exhibit Five -- I believe we missed Exhibit Three there, which is a Downs "A" No. 3. I've got two sets of seals here.

MR. STAMETS: The ones that you gave the Examiner, Exhibit Number Three is the Downs "A" 1. Exhibit Number Four is the Downs "A" 3. Exhibit Five is the Downs "A" 4.

A All right. I believe that's probably all the exhibits that we have on the existing well, other than the exhibit showing the cumulative production, which would be Exhibit Six.

Q All right, sir, let's go to Exhibit Six. That summarizes the cumulative production, does it not?

A Yes, that summarized the cumulative production through November the 30th, 1981, as 259,075 barrels cumulative production from the four Penrose Skelly wells.

Q In your opinion, Mr. Singletary, are there producible reserves in the Penrose Skelly-Grayburg Pool that

1
2 have not been recovered by existing wells that can be pro-
3 duced from a well drilled at this proposed location?

4 A Yes, we feel sure there is existing oil
5 and gas that can be recovered.

6 Q Were Exhibits One through Six prepared by
7 you or compiled under your direction and supervision?

8 A Yes, they were.

9 Q In your opinion, Mr. Singletary, will ap-
10 proval of this application be in the best interests of conser-
11 vation, the prevention of waste, and the protection of corre-
12 lative rights?

13 A Yes, it surely will.

14 MR. KELLAHIN: We move the introduction
15 of Exhibits One through Six.

16 MR. STANETS: These exhibits will be ad-
17 mitted.

18
19 CROSS EXAMINATION

20 BY MR. STANETS:

21 Q Mr. Singletary, as I recall from the last
22 hearing, there is some slight difference in interest within
23 this 160-acre tract. Is that correct?

24 MR. KELLAHIN: No, sir.

25 A I don't know, sir. There's not any differ-

1
2 once i. ownership. Wiser Oil Company owns and controls all
3 of this acreage; no partners.

4 Q The royalty interest is identical through-
5 out the 160's?

6 A Yes, sir. No difference in royalty inter-
7 est.

8 Q It must have been another case I was
9 thinking about.

10 MR. STAMETS: Any other questions of the
11 witness? He may be excused.

12 Anything further in this case?

13 The case will be taken under advisement.
14

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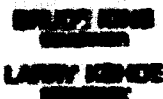
C E R T I F I C A T E

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

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 76281
heard by me on 8-4 1982
Richard P. [Signature] Examiner
Oil Conservation Division

WILLIAMS, C.S.R.
201 N. 1st St.
Suite 20, New Mexico 87201
Phone (505) 461-1400



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SANTA FE, NEW MEXICO 87501
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August 12, 1982

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 7628
ORDER NO. B-7057

Applicant:

Wiser Oil Company

Dear Sir:

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

Yours very truly,

JOE D. RANEY
Director

JDR/Ed

Copy of order also sent to:

Hobbs OGD _____ x _____
 Artesia OGD _____ x _____
 Aztec OGD _____

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. 7628
Order No. R-7057

APPLICATION OF WISER OIL COMPANY
FOR AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 4, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of August, 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, Wiser Oil Company, seeks approval of an unorthodox oil well location 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, Penrose-Skelly Pool, Lea County, New Mexico.
- (3) That the NW/4 SW/4 of said Section 32 is to be dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the oil 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

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-2-

Case No. 7628

Order No. R-7057

share of the oil 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 Wiser Oil Company for an unorthodox oil well location for the Penrose-Skelly Pool is hereby approved for a well to be located at a point 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the NW/4 SW/4 of said Section 32 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
JOE D. RAMEY,
Director

-2-
Case No. 7628
Order No. R-7057

share of the oil 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.

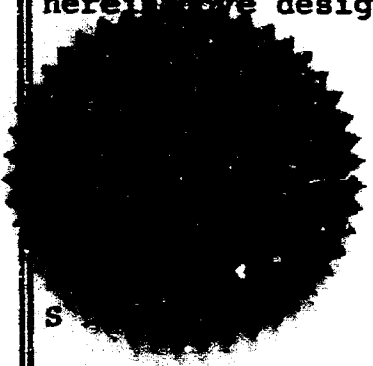
IT IS THEREFORE ORDERED:

(1) That the application of Wiser Oil Company for an unorthodox oil well location for the Penrose-Skelly Pool is hereby approved for a well to be located at a point 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the NW/4 SW/4 of said Section 32 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
JOE D. RAMEY,
Director

S

EXAMINER HEARING

DOWNES A NO. 5

UNORTHODOX LOCATION AND SIMULTANEOUS DEDICATION

The Wiser Oil Company seeks the approval of the Conservation Division to drill and complete in the Penrose Skelly Grayburg Pool its Downes A No. 5 well at an unorthodox location and for simultaneous dedication of an existing 40-acre proration unit.

Exhibit No. 1 is a location plat showing the proposed well to be located 1295' FSL and 1345' FWL of Section 32, T-21S, R-37E, Lea County, New Mexico. This exhibit also shows the 40-acre existing proration unit that Well No. 5 will share with existing Well No. 1. The proration unit is shown by the dashed outline, consisting of the SE/4 SW/4 of Section 32.

Exhibit No. 2 is an area ownership map showing existing wells Offset operators, and the proposed location in Unit N of Section 32.

Exhibit No.'s 3-5 are production decline curves for the existing Wells No. 1, 3, and 4. The No. 2 well last produced in September, 1973, and has been temporarily shut-in pending further reservoir analysis.

Exhibit No. 6 is the cumulative production data for the Downes A Lease through November, 1981. Cumulative production for the lease is 259,075 Barrels of oil.

JUSTIFICATION

The existing four wells on the Downes A Lease were drilled during 1937 to 1938. No Logs were run on any of these wells. It is necessary to drill the Downes A No. 5 in the proposed unorthodox location for the following reasons:

1. To obtain a modern suite of Logs.
2. To increase recoverable reserves.
3. To determine continuity of pay zones across the lease.
4. To obtain structure data.
5. To evaluate the reservoir for future secondary recovery.
6. The granting of this application should not violate the correlative rights of any party.

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

Form C-102
Supersedes C-101
Effective 1-4-82

All distances must be from the outer boundaries of the Section

OWNER WISER OIL COMPANY			Lease DUMMS A.		Well No. 6
Well Letter L	Section 32	Township 21 SOUTH	Range 37 EAST	County LEA	
Actual Footage Location of Well:					
1345	feet from the	SOUTH	line and	660	feet from the WEST line
Ground Level Elev. 3464.5	Producing Formation		Pool Penrose Skelly	Dedicated Acreage: 70 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

NA

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.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Wiser EXHIBIT NO. 1

CASE NO. 7628

Submitted by

Hearing Date 8/1/82

CERTIFICATION

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

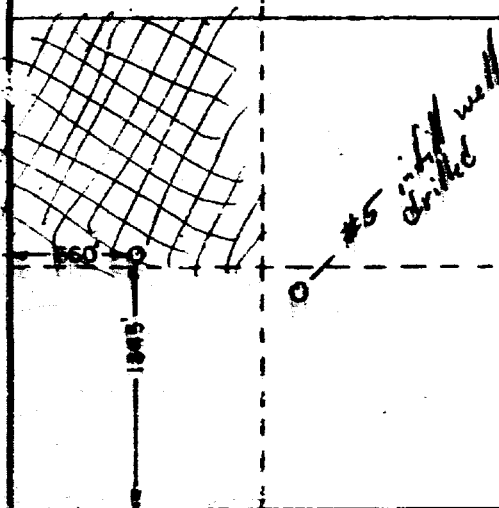
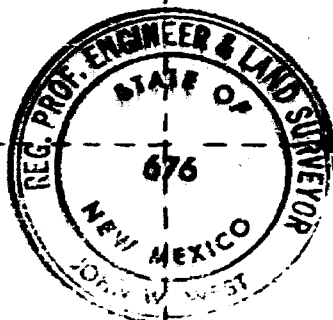
Name B. H. S. S. S.
Position W. M. M. M. S.
Company The Wiser Oil Co.
Date 7-20-82

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
07-02-82

Registered Professional Engineer
and/or Land Surveyor

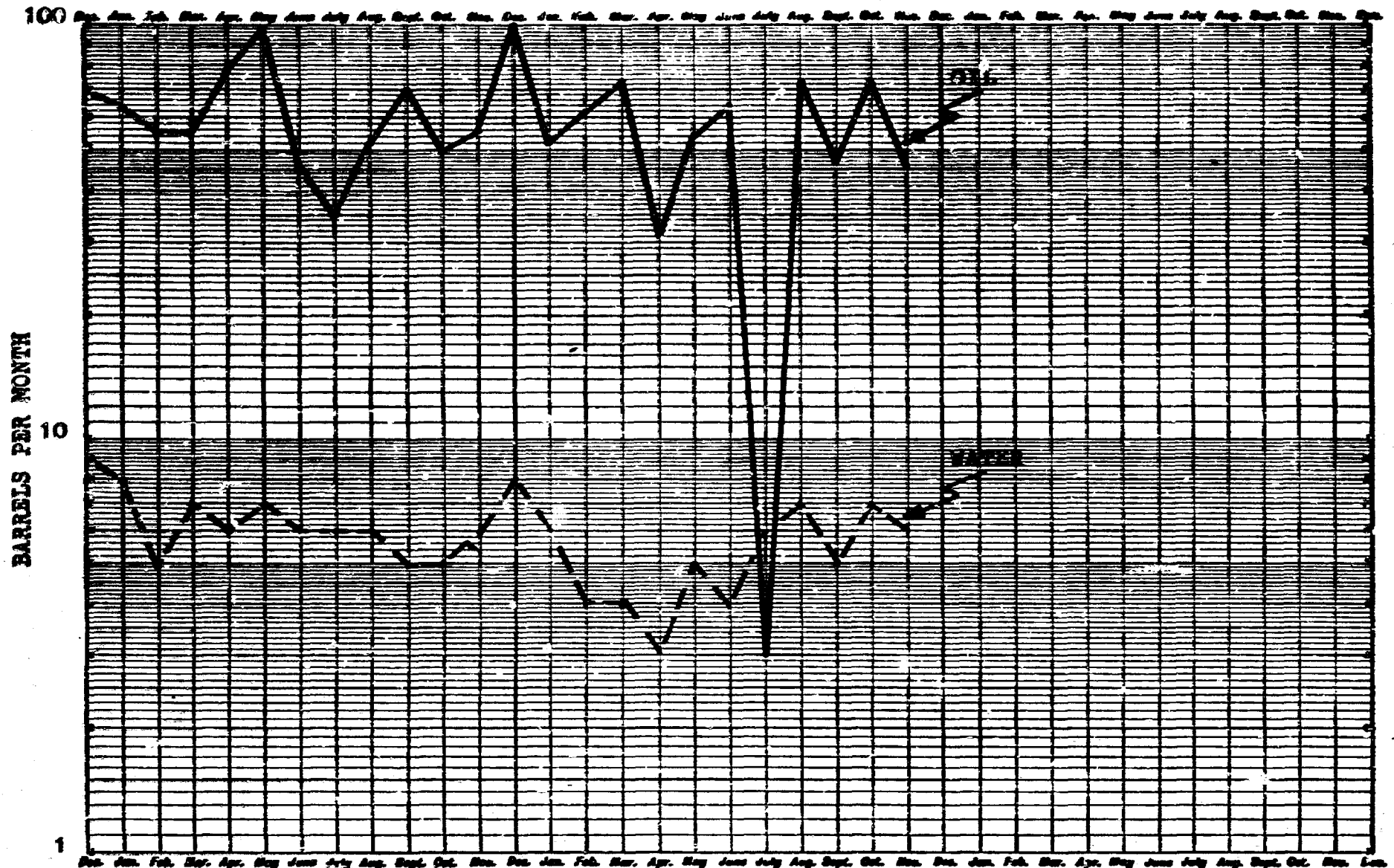
John W. West
FEDERAL ENGINEER & LAND SURVEYOR
JOHN W. WEST



THE WISER OIL COMPANY

DOWNES A NO. 1

N SEC 32, T-21S, R-37E



Year of 1980

Year of 1981

Year of 1982

EXHIBIT NO. 1

NEB

THE WISER OIL COMPANY

DOWNES A NO. 3

K SEC 32, T-21S, R-37E

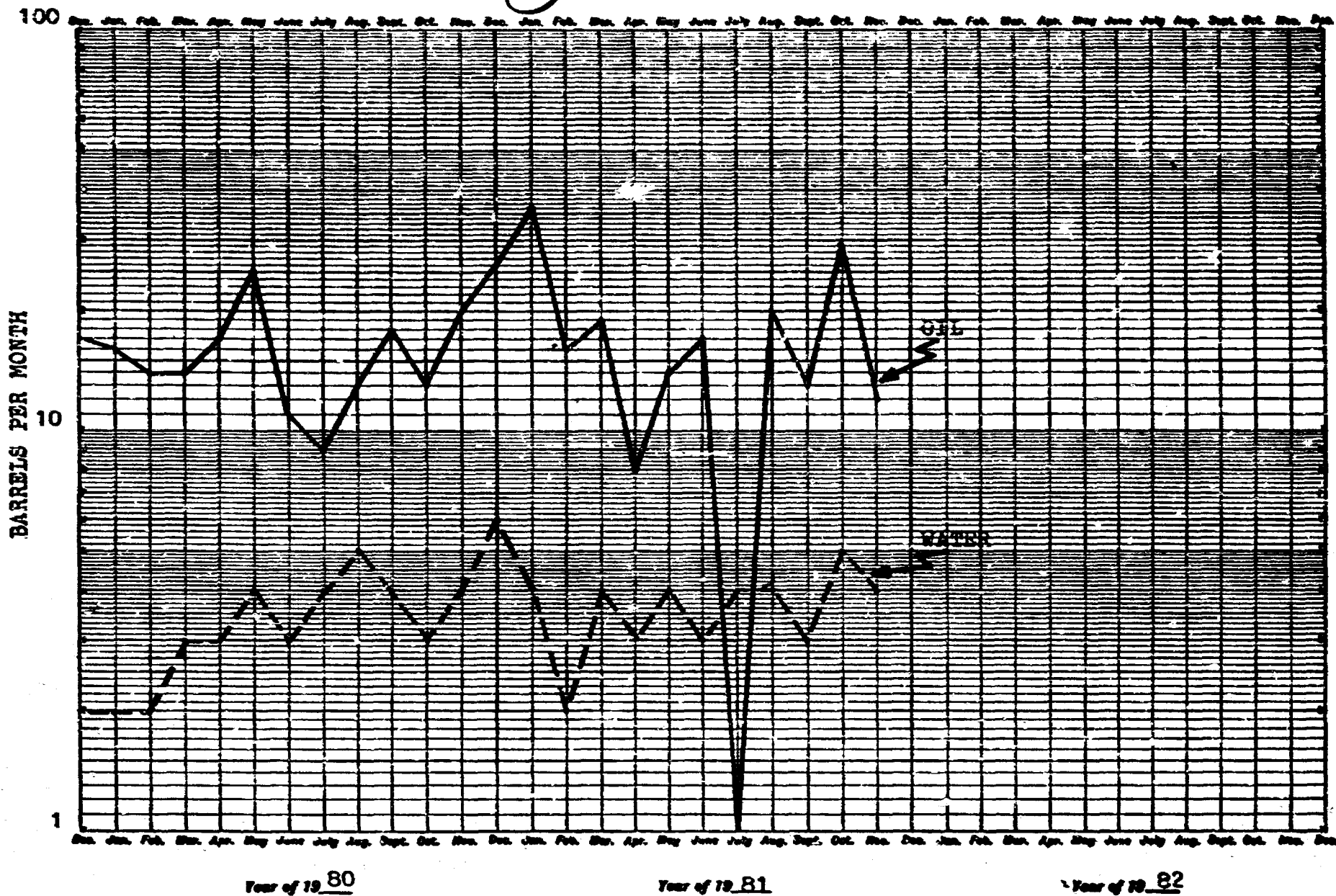


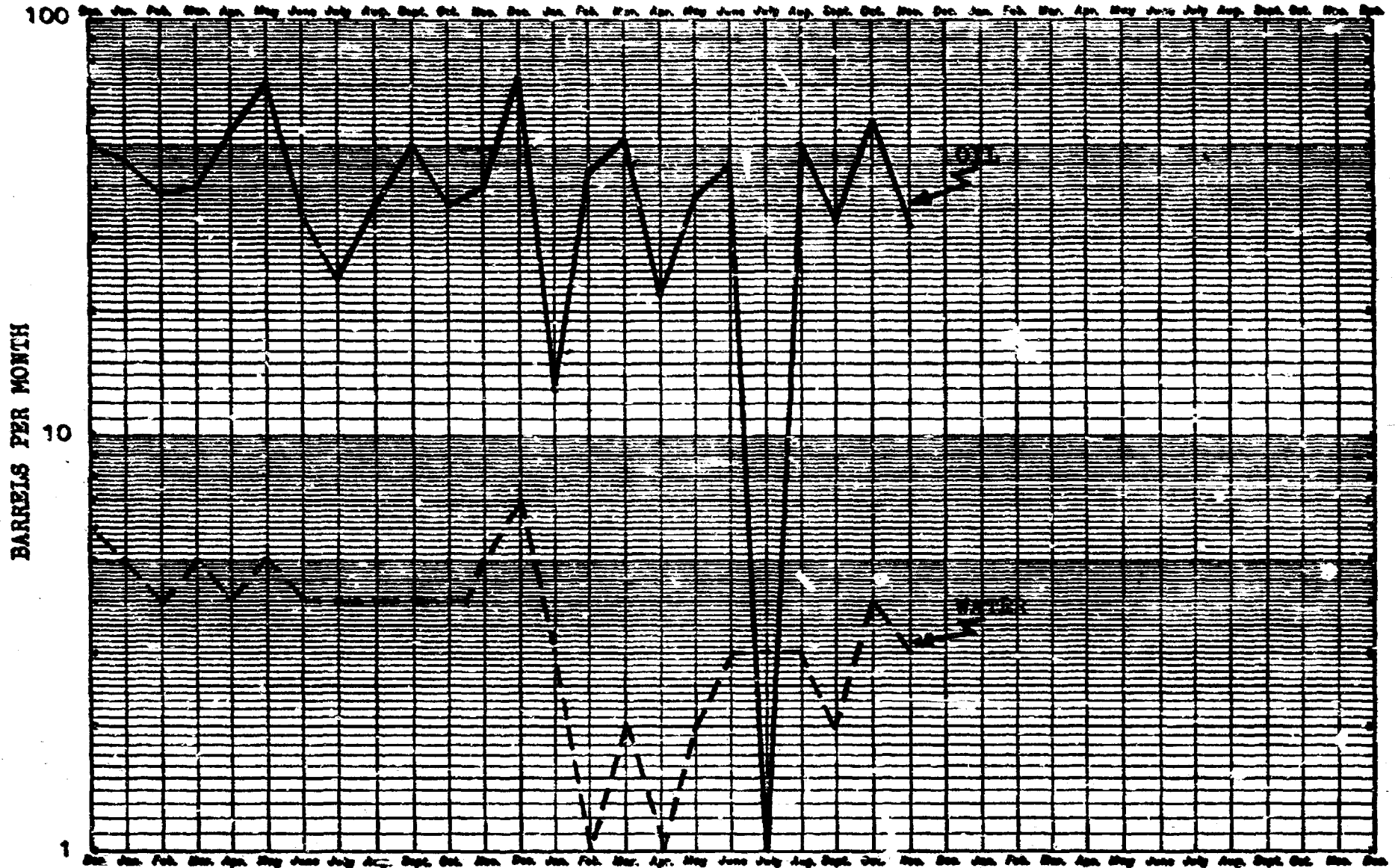
EXHIBIT NO. 4

THE WISER OIL COMPANY

NWSW

DOWNES A NO. 4

L SEC 32, T-21S, R-37E

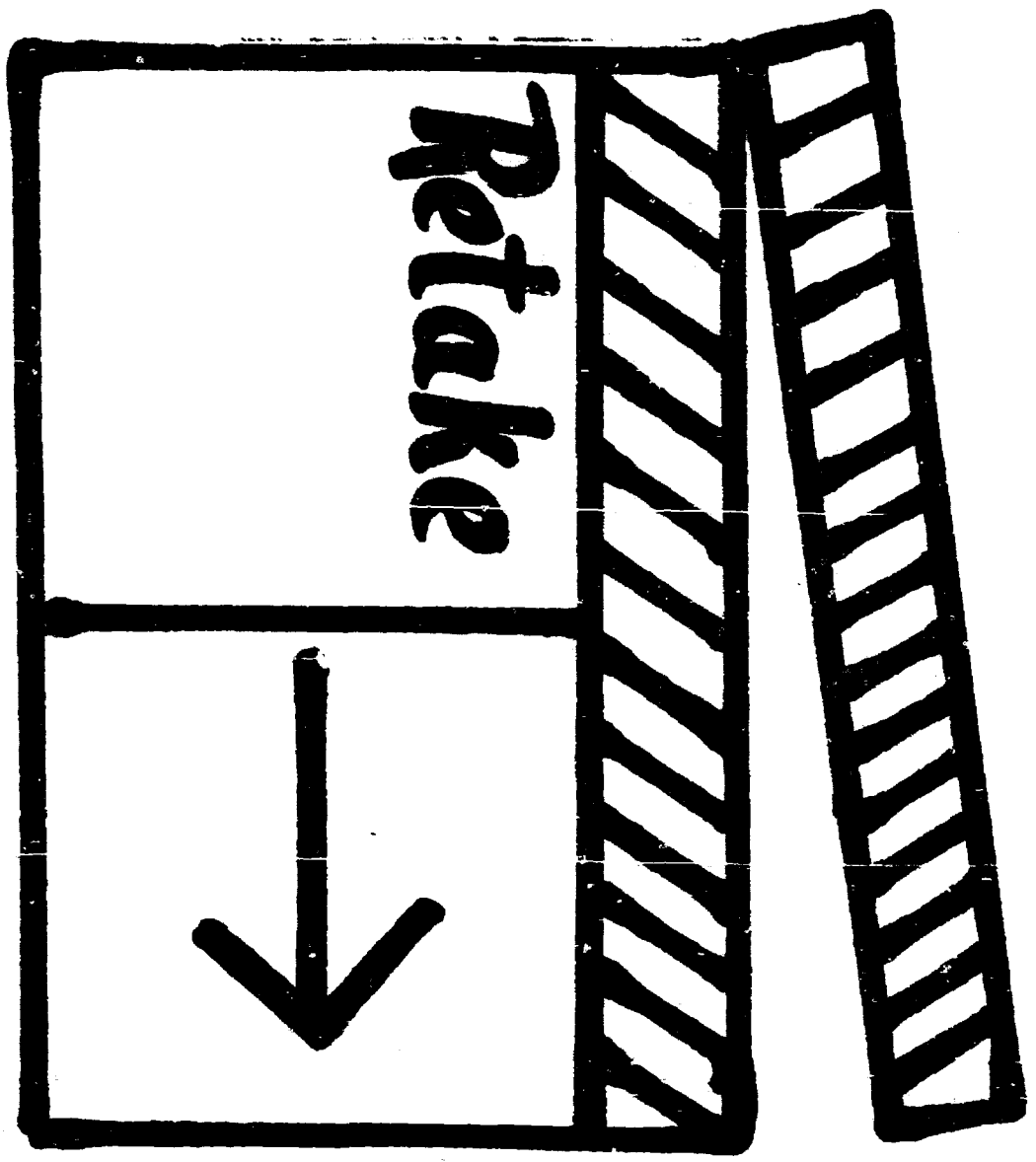
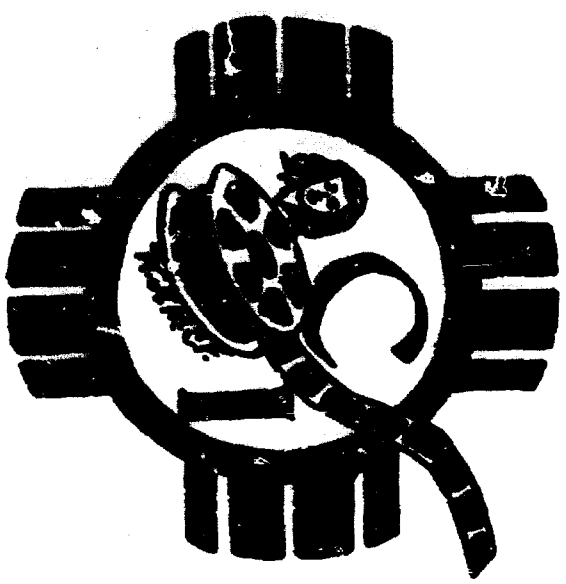


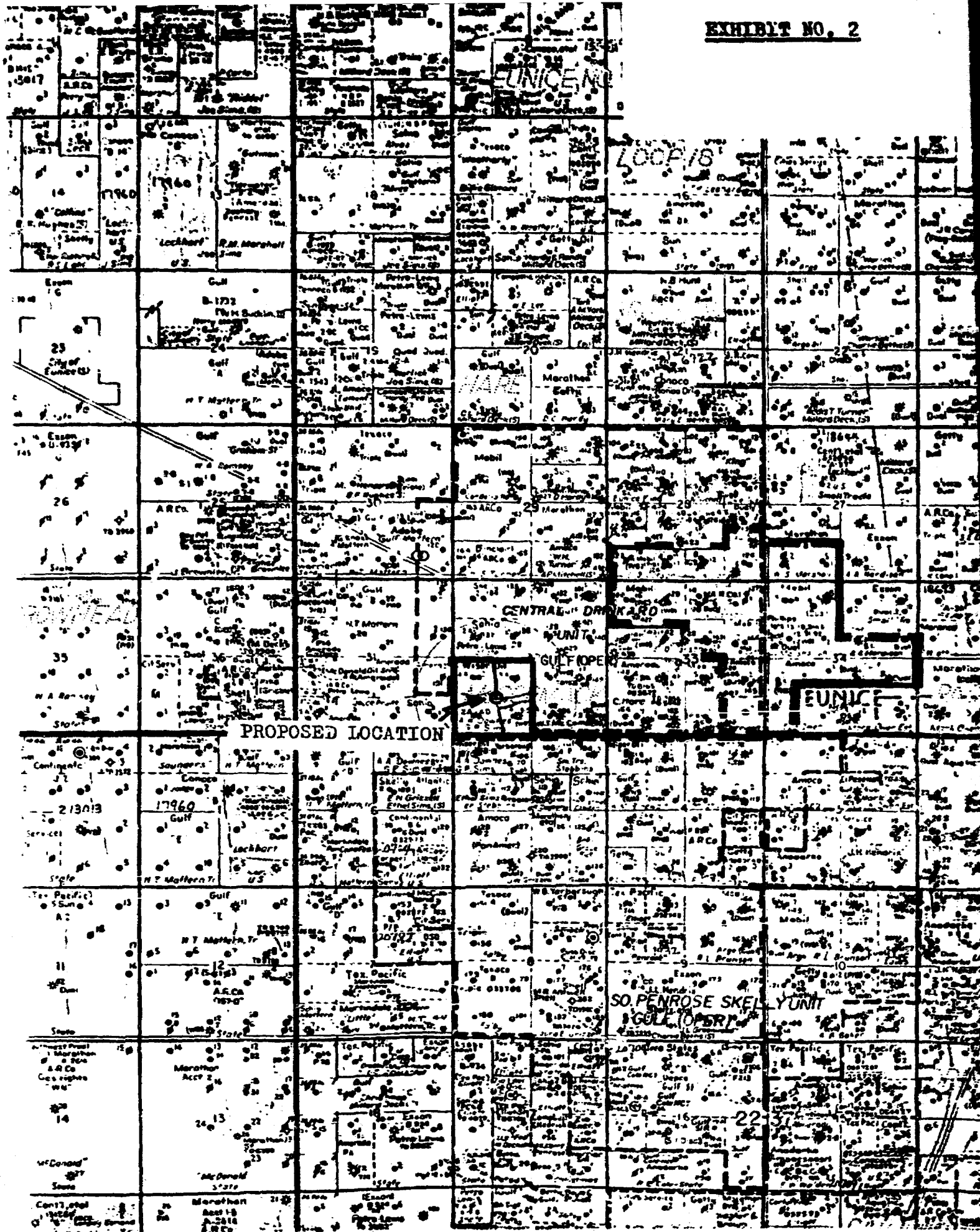
Part of 12_80

Year of 12_81

Year of 12_82

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 10-10-2001 BY 60322 UCBAW/STP





BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Winn EXHIBIT NO. 2

CASE NO. 7628

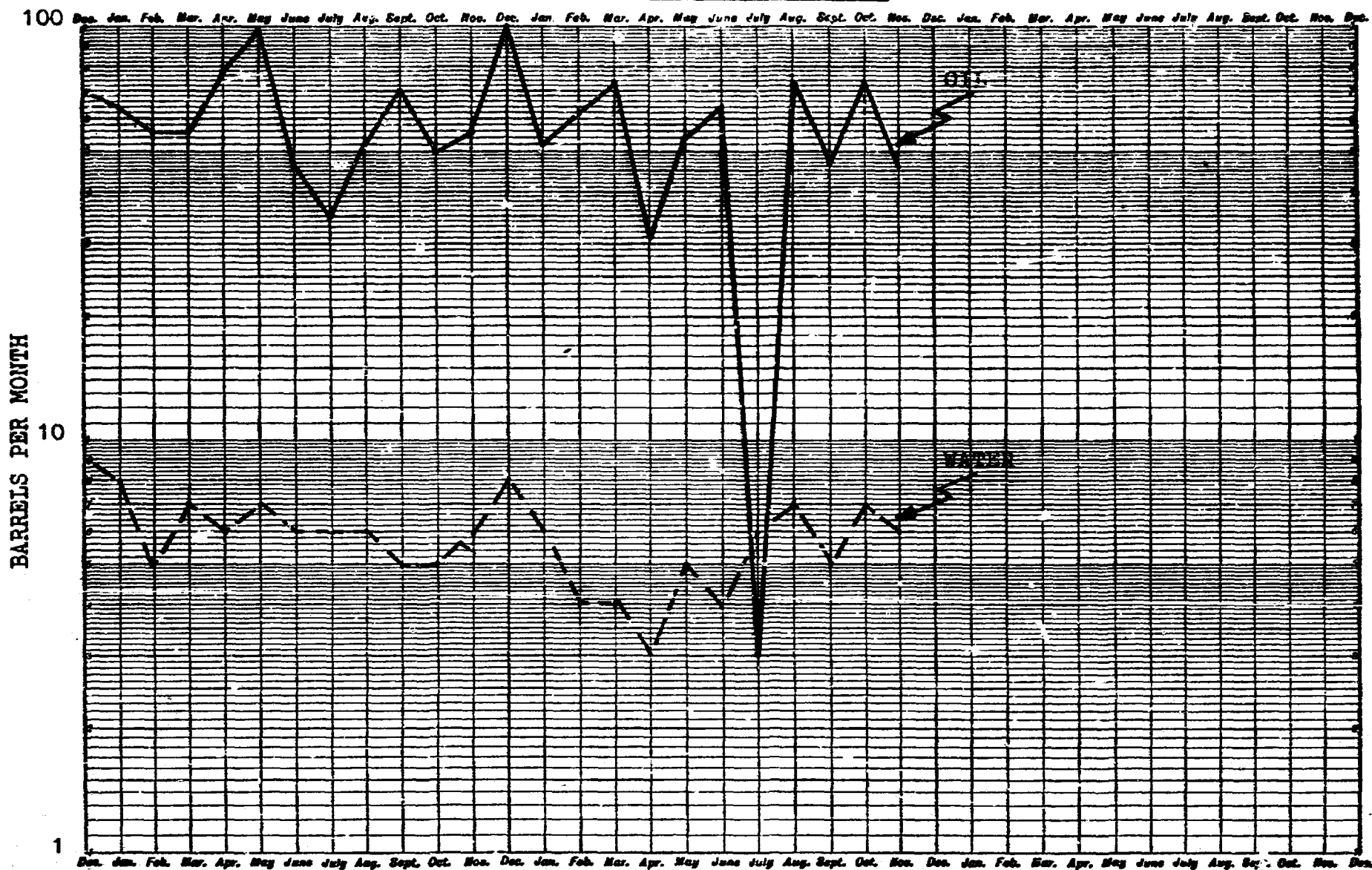
Submitted by _____

Hearing Date 8/4/82

THE WISER OIL COMPANY

DOWNES A NO. 1

N SEC 32, T-21S, R-37E



Year of 1980

Year of 1981

Year of 1982

RECORD NO. 3

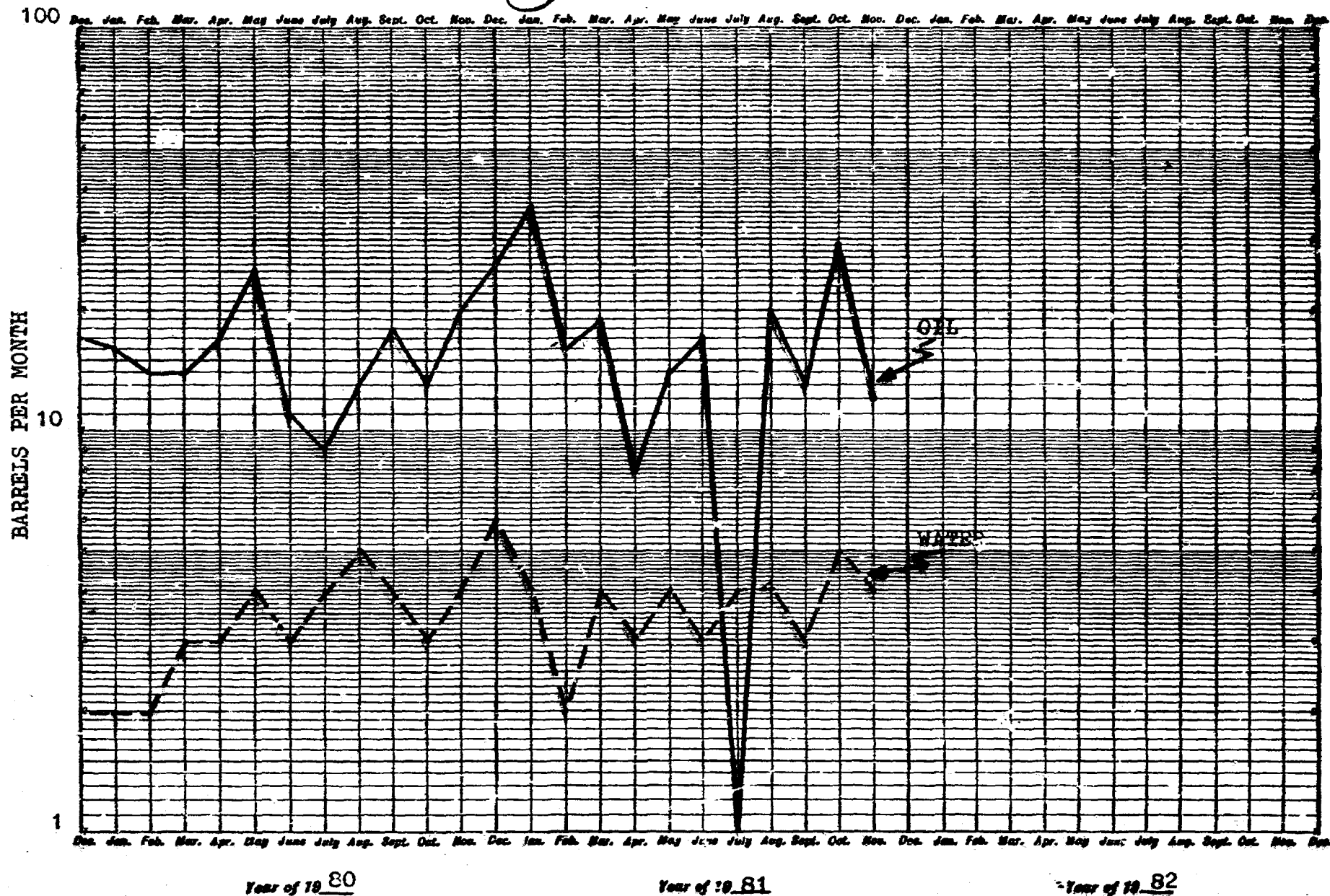
BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

~~1434~~ EXHIBIT NO. 3
CASE NO. 7622
Submitted by _____
Hearing Date 8/7/82

THE WISER OIL COMPANY

DOWNES A NO. 3

K SEC 32, T-21S, R-37E



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

~~UNIT 104~~ EXHIBIT NO. 4

CASE NO. 7622

Submitted by _____

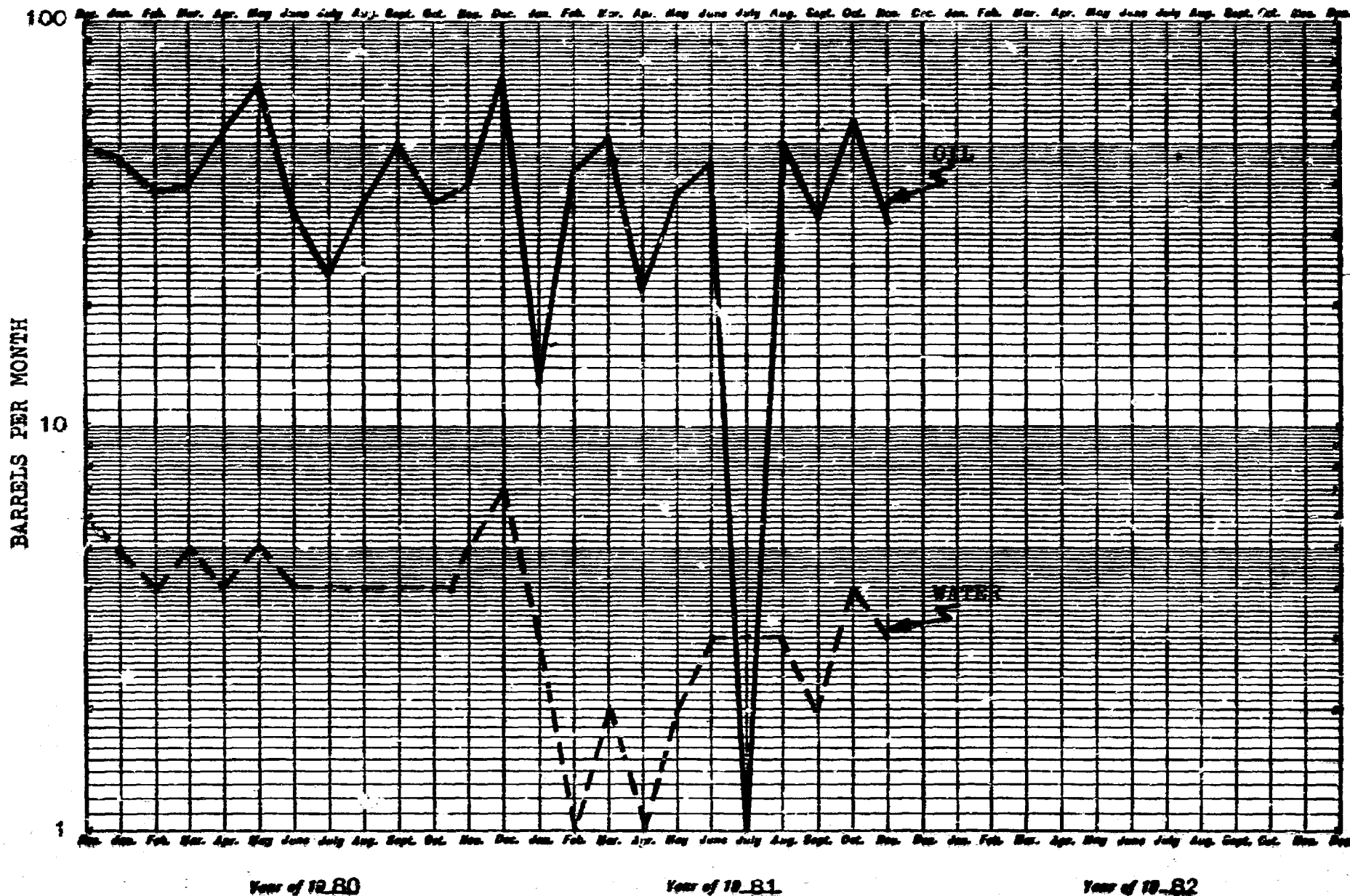
Hearing Date 3/4/62

THE WISER OIL COMPANY

NW5W

DOWNES A NO. 4

L SEC 32, T-21S, R-37E



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Union EXHIBIT NO. 5

CASE NO. 9621

Submitted by _____

Hearing Date _____

THE WISER OIL COMPANY

DOWNES A LEASE

PRODUCTION HISTORY

<u>WELL NAME</u>	<u>CUMULATIVE BBLs. OIL*</u>
DOWNES A NO. 1	77,349
DOWNES A NO. 2 —	52,992 ** ✓
DOWNES A NO. 3	60,161
DOWNES A NO. 4	68,573
TOTAL LEASE	<u>259,075</u>

*Through November 30, 1981

**Last Production: September, 1973 ✓

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Wiser EXHIBIT NO. 6
CASE NO. 7628
Submitted by _____
Hearing Date _____

Dockets Nos. 26-82 and 27-82 are tentatively set for August 18 and September 1, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 4, 1982
9 A.M. - NORMAN HALL, OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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

CASE 7627: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Sandi Production, Inc., United States Fidelity and Guaranty Company and other interested parties to appear and show cause why the El Pozo Well No. 1 located in Unit L, Section 26, and the Pound Ranch C Well No. 14 located in Unit C, Section 14, both in Township 28 North, Range 1 East, Rio Arriba County, should should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7628: Application of Wiser Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pearose-Skelly oil well to be drilled 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, the NW/4 SW/4 of said Section 32 to be dedicated to the well.

CASE 7629: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates and Seven Rivers formation in the open hole interval from 3169 feet to 3385 feet in its Arnett-Emery (NCT-E) Well No. 5, located in Unit E, Section 16, Township 25 South, Range 37 East, Jalmat Pool.

CASE 7630: Application of Ralph Mix for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NE/4 of Section 18, Township 19 South, Range 26 East.

CASE 7631: Application of Merriam Oil & Gas Corporation for a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the N/2 SE/4 and SW/4 SE/4 of Section 5 and the NW/4 NE/4 of Section 8, Township 23 North, Range 6 West, Nageezi-Callup Area.

CASE 7632: Application of Astec Energy Corporation for a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the SE/4 SE/4 of Section 5, and the E/2 NE/4 and SW/4 NE/4 of Section 8, Township 23 North, Range 6 West, Nageezi-Callup Area.

CASE 7638: (Continued from June 23, 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 7620: (Continued from July 21, 1982, Examiner Hearing)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface through the base of the Abo formation underlying the SW/4 of Section 8, Township 5 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 7633: Application of T. H. McKivain, Jr. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the base of the Abo formation underlying the SW/4 of Section 8, Township 5 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 7634: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Indian Flats-Atoka Gas Pool. The discovery well is the Perry R. Bass Big Zddy Unit Well No. 79Y located in Unit J of Section 21, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 21: E/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for San Andres production and designated as the South Bluff-San Andres Pool. The discovery well is the Ike Lovelady, Inc. Ligan Well No. 1 located in Unit A of Section 35, Township 8 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 35: NE/4

(c) CREATE a new pool in Sddy County, New Mexico, classified as a gas pool for Permian-Pennsylvanian production and designated as the Boyd Permian-Pennsylvanian Gas Pool. The discovery well is Yates Petroleum Corporation Rio Pecos NW Federal Con Well No. 1 located in Unit F of Section 11, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 2: E/2
Section 3: E/2
Section 11: N/2

(d) CREATE a new pool in Chavez County, New Mexico, classified as a gas pool for Pre-Permian production and designated as the Four Ranch Pre-Permian Gas Pool. The discovery well is Plains Radio Broadcasting Canal Well No. 1 located in Unit F of Section 7, Township 9 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 1: E/2
Section 12: E/2
Section 13: All

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2
Section 18: W/2

(e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Yates and Seven Rivers production and designated as the House Yates-Seven Rivers Gas Pool. The discovery well is the NCF Oil Corporation J. Wright Well No. 1 located in Unit D of Section 5, Township 20 South, Range 39 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM
Section 31: SE/4
Section 32: SW/4

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 5: NW/4

(f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Pelleck-Wolfcamp Pool. Further, to assign approximately 46,910 barrels of discovery allowable to the discovery well, the Reading and Bates Company Dickinson Cattle Company 33 Well No. 1 located in Unit W of Section 33, Township 14 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 38 EAST, NMPM
Section 33: SW/4

(g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the West Red Hills-Wolfcamp Gas Pool. The discovery well is the STA Oil Producers Mesa 8105 JV-F Well No. 1 located in Unit I of Section 1, Township 26 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 1: E/2

(h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Townsend-Abo Pool. The discovery well is the Charles B. Gillespie, Jr. Exxon Townsend Well No. 1 located in Unit B of Section 9, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 9: NE/4

- (i) ABOLISH the East Tannayhill-Cisco Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described:

TOWNSHIP 6 SOUTH, RANGE 34 EAST, N24W
Section 8: E/4

- (j) EXTEND the Blitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, N24W
Section 23: E/2

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

TOWNSHIP 9 SOUTH, RANGE 31 EAST, N24W
Section 3: E/2

- (l) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, N24W
Section 31: W/2

- (m) EXTEND the Empire-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, N24W
Section 3: E/2

- (n) EXTEND the High Loessons-Queen Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, N24W
Section 19: SE/4 NE/4

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, N24W
Section 7: E/2
Section 18: All
Section 19: W/2
Section 30: W/2

- (p) EXTEND the West Madine-Slinnery Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, N24W
Section 5: NW/4
Section 8: SW/4

- (q) EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, N24W
Section 26: W/2

TOWNSHIP 5 SOUTH, RANGE 24 EAST, N24W
Section 3: E/2

TOWNSHIP 6 SOUTH, RANGE 24 EAST, N24W
Section 15: All
Section 16: All
Section 17: All
Section 18: E/2

TOWNSHIP 7 SOUTH, RANGE 26 EAST, N24W
Section 27: All
Section 33: All
Section 34: All

TOWNSHIP 8 SOUTH, RANGE 25 EAST, N24W
Section 13: S/2

TOWNSHIP 8 SOUTH, RANGE 26 EAST, N24W
Section 3: All
Section 4: All
Section 5: All
Section 6: E/2

- (r) EXTEND the South Paterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NEPM
 Section 7: E/2
 Section 8: E/2

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NEPM
 Section 32: SW/4

- (t) EXTEND the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NEPM
 Section 11: E/2

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NEPM
 Section 35: SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NEPM
 Section 1: W/2

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NEPM
 Section 3: E/2

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

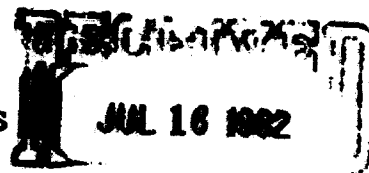
TOWNSHIP 9 SOUTH, RANGE 28 EAST, NEPM
 Section 12: SE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NEPM
 Section 18: W/2

- (x) EXTEND the Willow Lakes-Some Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NEPM
 Section 32: W/2 W/2
 Section 33: W/2 SW/4

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



IN THE MATTER OF THE APPLICATION
OF WISER OIL COMPANY FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
PENROSE-SKELLY OIL POOL, LEA COUNTY,
NEW MEXICO.

CASE NO. 7628

AMENDED APPLICATION

COMES NOW WISER OIL COMPANY, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox well location for a Penrose-Skelly well to be located 1345 feet from the South and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico and in support thereof would show:

1. Applicant is the operator of and has the right to drill and develop the oil and gas in the Penrose-Skelly Oil Pool, Lea County, New Mexico underlying the SW/4 of Section 32, T21S, R37E, NMPM.

2. Applicant has drilled four Penrose-Skelly wells in the SW/4 of said Section 32, and proposes to drill one more well to be located at an unorthodox well location 1345 feet from the South line and 660 feet from the West line of said Section 32.

3. That said acreage is all under one lease and the ownership interest between the four quarter-quarter sections is identical.

4. Applicant previously obtained Order R-6909 on March 2, 1982, for a well that was uneconomic. The subject well is to be substituted for the R-6909 well.

5. Applicant proposes to dedicate the SW/4SW/4 to the well.

6. Applicant proposes that this application is necessary in order to adequately drain the SW/4 of production from this pool and in order to prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before the Division's examiner and that after notice and hearing the application be granted as requested.

KELLAHIN & KELLAHIN

By 

W. Thomas Kellahin
Post Office Box 1769
Santa Fe, New Mexico 87501
(505) 982-4285

DAW:

Wiser wants to correct its
Unauthor loc case set for

~~July 21~~ ^{Aug 4} TO The DAWNE
STATE # 6 well to be located

1345 FSL and 660 FSW FWC

called Tom K

7/7/82

Don Tom Kellahan

KELLAHAN and KELLAHAN

Attorneys at Law

300 Don Gasper Avenue

Post Office Box 1709

Santa Fe, New Mexico 87501

Telephone 983-4885

Area Code 505

Karen Kellahan

W. Thomas Kellahan

Karen Anthony

June 30, 1982

Mr. Joe D. Ramey
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87501


Re: Wiser Oil Company

Case 7628

Dear Mr. Ramey:

Please set the enclosed application for hearing on
August 4, 1982.

Very truly yours,



W. Thomas Kellahan

WTK:rb

Enclosure

cc: Mr. Bill Singletary

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

IN THE MATTER OF THE APPLICATION
OF WISER OIL COMPANY FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
PENROSE-SKELLY OIL POOL, LEA COUNTY,
NEW MEXICO.

CASE NO. 7628

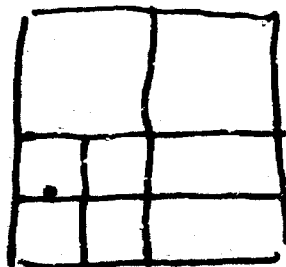
A P P L I C A T I O N

CONES NOW WISER OIL COMPANY, by and through its attorneys,
Kellahin & Kellahin, and applies to the New Mexico Oil Conservation
Division for approval of an unorthodox well location for a Penrose-
Skelly well to be located ^{1315 feet} ~~1315 feet~~ from the South ~~and West~~ lines
~~and 660 feet from West line~~
of Section 32, Township 21 South, Range 37 East, NMPM, Lea County,
New Mexico and in support thereof would show:

1. Applicant is the operator of and has the right to
drill and develop the oil and gas in the Penrose-Skelly Oil
Pool, Lea County, New Mexico underlying the SW/4 of Section 32,
T21S, R37E, NMPM.

2. Applicant has drilled four Penrose-Skelly wells in
the SW/4 of said Section 32, and proposes to drill one more well
to be located at an unorthodox well location 1315 feet from the
South line and 1315 feet from the West line of said Section 32
and with the remaining wells to be drilled so that there is one
well drilled in the approximate center of each of the forty-acre
quarter-quarter sections comprising the SW/4 of said Section 32.

3. That said acreage is all under one lease and the
ownership interest between the four quarter-quarter sections is
identical.



*Reviewed
by Tom K
by note
L. J. Phelan
7/2/82*

4. Applicant previously obtained Order R-6909 on March 2, 1982, for a well that was uneconomic. The subject well is to be substituted for the R-6909 well.

5. Applicant proposes to dedicate the SW/4SW/4 to the well.

6. Applicant proposes that this application is necessary in order to adequately drain the SW/4 of production from this pool and in order to prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before the Division's examiner and that after notice and hearing the application be granted as requested.

KELLAHIN & KELLAHIN

By


W. Thomas Kellahin

P. O. Box 1769

Santa Fe, New Mexico 87501

(505) 982-4285

ORDERS

JJR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

Bill

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

CASE NO. 7628

Order No. R-7057

APPLICATION OF WISER OIL COMPANY
FOR AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

JJR
m.s.
WJH

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 4, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of August, 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, Wiser Oil Company, seeks approval of an unorthodox oil well location 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, ~~to test the~~ Penrose-Skelly ~~formation~~ Pool, Lea County, New Mexico.

(3) That the NW/4 SW/4 of said Section 32 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the oil 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 oil 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 Wiser Oil Company for an unorthodox oil well location for the Penrose-Skelly ^{Pool} formation

is hereby approved for a well to be located at a point 1345 feet from the South line and 660 feet from the West line of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the NW/4 SW/4 of said Section 32 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